UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 40-F

[X] Registration statement pursuant to Section 12 of the Securities Exchange Act of 1934

or

[ ] Annual report pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934

For the fiscal year ended _____ Commission File Number _____

The Real Brokerage Inc.
(Exact name of Registrant as specified in its charter)

British Columbia, Canada	**7370**	**N/A**
(Province or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

133 Richmond Street West
Suite 302
Toronto, Ontario
(646) 469-7107
(Address and telephone number of Registrant's principal executive offices)

COGENCY GLOBAL INC.
122 East 42nd Street, 18th Floor
New York, NY 10168
1-800-221-0102
(Name, address (including zip code) and telephone number (including area code) of agent for service in the United States)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Common Shares, no par value	**NASDAQ Capital Market**

Securities registered pursuant to Section 12(g) of the Act: **None**

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act: **None**

For annual reports, indicate by check mark the information filed with this Form:

[ ] Annual information form [ ] Audited annual financial statements

Indicate the number of outstanding shares of each of the registrant's classes of capital or common stock as of the close of the period covered by the annual report: **N/A**

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such shorter period that the registrant was required to file such reports); and (2) has been subject to such filing requirements for the past 90 days. [ ] Yes [**X**] No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). [ ]Yes [ ] No

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 12b-2 of the Exchange Act.

[**X**] Emerging growth company

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards† provided pursuant to Section 13(a) of the Exchange Act. [ ]

† The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

EXPLANATORY NOTE

The Real Brokerage Inc. (the "Company", the "Registrant") is a Canadian public issuer eligible to file its registration statement pursuant to Section 12 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), on Form 40-F pursuant to the multi-jurisdictional disclosure system of the Exchange Act. The Company is a "foreign private issuer" as defined in Rule 3b-4 under the Exchange Act. Equity securities of the Company are accordingly exempt from Sections 14(a), 14(b), 14(c), 14(f) and 16 of the Exchange Act pursuant to Rule 3a12-3.

FORWARD LOOKING STATEMENTS

This Registration Statement and the Exhibits incorporated by reference into this Registration Statement of the Registrant contain forward-looking statements that reflect our management's expectations with respect to future events, our financial performance and business prospects. All statements other than statements of historical facts, contained in documents incorporated by reference in this Registration Statement that address activities, events or developments that management of the Company expect or anticipate will or may occur in the future are forward-looking statements. Although the Registrant has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended.

Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "proposed" "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "likely", "might", "will" or "will be taken", "occur" or "be achieved", but the absence of these words does not mean that a statement is not forward-looking. Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Registrant to be materially different from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to: general business, economic, competitive, political and social uncertainties; delay or failure to receive board, shareholder or regulatory approvals; and the results of continued development, marketing and sales as well as those factors discussed under the heading "Risk Factors" in the Registrant's Filing Statement, included as Exhibit 99.8 to this Registration Statement.

There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Although the management and of officers of the Registrant believe that the expectations reflected in such forward-looking statements are based upon reasonable assumptions and have attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The Registrant's forward-looking statements contained in the Exhibits incorporated by reference into this Registration Statement are made as of the respective dates set forth in such Exhibits. In preparing this Registration Statement, the Registrant has not updated such forward-looking statements to reflect any change in circumstances or in management's beliefs, expectations or opinions that may have occurred prior to the date hereof. Nor does the Registrant assume any obligation to update such forward-looking statements in the future. Consequently, all of the forward-looking statements made in documents incorporated by reference in this Registration Statement are qualified by these cautionary statements and other cautionary statements or factors contained herein and therein, and there can be no assurance that the actual results or developments will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, the Company. Accordingly, for the reasons set forth above, the forward-looking statements in the Exhibits incorporated by reference into this Registration Statement should not be unduly relied upon.

DIFFERENCES IN UNITED STATES AND CANADIAN REPORTING PRACTICES

The Registrant is permitted, under a multijurisdictional disclosure system adopted by the United States, to prepare this report in accordance with Canadian disclosure requirements, which are different from those of the United States. The Registrant currently prepares its financial statements, which are filed with this report on Form 40-F in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and the audit is subject to Canadian auditing and auditor independence standards.

PRINCIPAL DOCUMENTS

In accordance with General Instruction B.(1) of Form 40-F, the Registrant hereby incorporates by reference Exhibits 99.1 through 99.93, inclusive, as set forth in the Exhibit Index attached hereto.

In accordance with General Instruction D.(9) of Form 40-F, the Registrant has filed the written consent of certain experts named in the foregoing Exhibits as Exhibit 99.93, as set forth in the Exhibit Index attached hereto.

TAX MATTERS

Purchasing, holding, or disposing of securities of the Registrant may have tax consequences under the laws of the United States and Canada that are not described in this registration statement on Form 40-F.

DESCRIPTION OF COMMON SHARES

The required disclosure is included in Exhibit 99.13.

OFF-BALANCE SHEET ARRANGEMENTS

The Registrant does not have any off-balance sheet arrangements.

CURRENCY

Unless otherwise indicated, all dollar amounts in this Registration Statement on Form 40-F are in United States dollars.

CONTRACTUAL OBLIGATIONS

The following table lists, as of December 31, 2020, information with respect to the Registrant's known contractual obligations (in thousands):

	Payments due by period				
Contractual Obligations	**Total**	**Less than 1 year**	**1-3 years**	**3-5 years**	**More than 5 years**
Long-Term Debt Obligations	$ -	$ -	$ -	$ -	$ -
Capital (Finance) Lease Obligations	$ -	$ -	$ -	$ -	$ -
Operating Lease Obligations	$ 215	$ 85	$ 130	$ -	$ -
Purchase Obligations	$ -	$ -	$ -	$ -	$ -
Other Long-Term Liabilities Reflected on Balance Sheet	$ -	$ -	$ -	$ -	$ -
Total	**$ 215**	**$ 85**	**$ 130**	$ -	$ -

UNDERTAKING

The Registrant undertakes to make available, in person or by telephone, representatives to respond to inquiries made by the Commission staff, and to furnish promptly, when requested to do so by the Commission staff, information relating to the securities registered pursuant to Form 40-F or transactions in said securities.

CONSENT TO SERVICE OF PROCESS

The Registrant has concurrently filed a Form F-X in connection with the class of securities to which this Registration Statement relates.

Any change to the name or address of the Registrant's agent for service shall be communicated promptly to the Commission by amendment to the Form F-X referencing the file number of the Registrant.

SIGNATURES

Pursuant to the requirements of the Exchange Act, the Registrant certifies that it meets all of the requirements for filing on Form 40-F and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized.

THE REAL BROKERAGE INC.

By:/s/ Tamir Poleg
Name: Tamir Poleg
Title: Chief Executive Officer

Date: May 25, 2021

EXHIBIT INDEX

The following documents are being filed with the Commission as Exhibits to this Registration Statement:

EXHIBIT	DESCRIPTION
99.1	Management Certification on Form 13-502F1 dated February 18, 2020
99.2	Audited Consolidated Financial Statements for the years ended December 31, 2019 and December 31, 2018
99.3	Management Certification on Form 13-501F1 dated February 18, 2020
99.4	Management Discussion and Analysis for the year ended December 31, 2019
99.5	Certification of Annual Filings by CFO dated February 18, 2020
99.6	Certification of Annual Filings by CEO dated February 18, 2020
99.7	News Release dated May 7, 2020
99.8	Filing Statement dated May 26, 2020
99.9	News Release dated May 27, 2020
99.10	News Release dated June 8, 2020
99.11	Certificate of Change of Name dated June 5, 2020
99.12	Notice of Articles dated June 5, 2020
99.13	Articles of The Real Brokerage Inc. dated February 27, 2018
99.14	News Release dated June 12, 2020
99.15	News Release dated June 18, 2020
99.16	Material Change Report dated June 19, 2020
99.17	Notice of Meeting and Record Date dated June 19, 2020
99.18	Notice of Change of Auditor dated June 8, 2020
99.19	Securities Exchange Agreement dated March 5, 2020
99.20	Notice of Change in Corporate Structure dated June 25, 2020
99.21	Unaudited Condensed Interim Consolidated Financial Statements for the periods ended March 31, 2020 and March 31, 2019
99.22	Management Discussion and Analysis for the period ended March 31, 2020
99.23	Certification of Interim Filings by CFO dated July 14, 2020
99.24	Certification of Interim Filings by CEO dated July 14, 2020

99.25	Unaudited Interim Condensed Consolidated Financial Statements for the period ended March 31, 2020
99.26	Notice of Meeting dated July 16, 2020
99.27	Management Information Circular dated July 16, 2020
99.28	Form of Proxy for Annual General and Special Meeting to be held on August 20, 2020
99.29	News Release dated August 11, 2020
99.30	News Release dated August 12, 2020
99.31	Material Change Report dated August 13, 2020
99.32	News Release dated August 25, 2020
99.33	Unaudited Interim Condensed Consolidated Financial Statements for the period ended June 30, 2020
99.34	Management Discussion and Analysis for the periods ended June 30, 2020 and June 30, 2019
99.35	Certification of Interim Filings by CFO dated August 26, 2020
99.36	Certification of Interim Filings by CEO dated August 26, 2020
99.37	News Release dated August 26, 2020
99.38	News Release dated September 16, 2020
99.39	News Release dated September 21, 2020
99.40	News Release dated October 15, 2020
99.41	Material Change Report dated October 15, 2020
99.42	News Release dated October 6, 2020
99.43	News Release dated November 6, 2020
99.44	Unaudited Interim Condensed Consolidated Financial Statements for the period ended September 30, 2020
99.45	Management Discussion and Analysis for the periods ended September 30, 2020 and September 30, 2019
99.46	Certification of Interim Filings by CFO dated November 20, 2020
99.47	Certification of Interim Filings by CEO dated November 20, 2020
99.48	News Release dated November 20, 2020
99.49	News Release dated December 3, 2020
99.50	News Release dated December 9, 2020

99.51	Subordinated Guarantee Agreement dated December 2, 2020
99.52	Securities Subscription Agreement dated December 2, 2020
99.53	Registration Rights Agreement dated December 2, 2020
99.54	Amended and Restated Limited Liability Company Agreement of Real Pipe, LLC dated December 2, 2020
99.55	Investor Rights Agreement dated December 2, 2020
99.56	Exchange and Support Agreement dated December 2, 2020
99.57	Material Change Report dated December 11, 2020
99.58	News Release dated January 11, 2021
99.59	Asset Purchase Agreement dated January 8, 2021
99.60	Material Change Report dated January 14, 2021
99.61	News Release dated January 26, 2021
99.62	News Release dated January 28, 2021
99.63	News Release dated February 9, 2021
99.64	Notice of Meeting and Record Date dated February 19, 2021
99.65	Management Certification on Form 13-502F1 dated March 17, 2021
99.66	Audited Consolidated Financial Statements for the years ended December 31, 2020 and December 31, 2019
99.67	Management Certification on Form 13-501F1 dated March 16, 2021
99.68	Management Discussion and Analysis for the years ended December 31, 2020 and December 31, 2019
99.69	Certification of Annual Filings by CFO dated March 19, 2021
99.70	Certification of Annual Filings by CEO dated March 19, 2021
99.71	News Release dated March 19, 2021
99.72	Notice of Meeting dated March 17, 2021
99.73	Management Information Circular dated March 17, 2021
99.74	Form of Proxy for Annual General Meeting to be held on April 20, 2021
99.75	News Release dated March 15, 2021
99.76	News Release dated March 17, 2021

99.77	News Release dated March 23, 2021
99.78	News Release dated April 5, 2021
99.79	News Release dated April 15, 2021
99.80	News Release dated April 20, 2021
99.81	News Release dated April 22, 2021
99.82	News Release dated April 23, 2021
99.83	News Release dated April 27, 2021
99.84	News Release dated April 29, 2021
99.85	News Release dated May 5, 2021
99.86	Unaudited Condensed Interim Consolidated Financial Statements for the periods ended March 31, 2021 and March 31, 2020
99.87	Management Discussion and Analysis for the period ended March 31, 2021
99.88	Certification of Interim Filings by CFO dated May 11, 2021
99.89	Certification of Interim Filings by CEO dated May 11, 2021
99.90	News Release dated May 11, 2021
99.91	News Release dated May 14, 2021
99.92	News Release dated May 17, 2021
99.93	Consent of Brightman Almagor Zohar & Co.

April 11, 2015

FORM 13-502F1
CLASS 1 AND CLASS 3B REPORTING ISSUERS - PARTICIPATION FEE

MANAGEMENT CERTIFICATION

I, Philip Porat, an officer of the reporting issuer noted below have examined this Form 13-502F1 (the Form) being submitted hereunder to the Ontario Securities Commission and certify that to my knowledge, having exercised reasonable diligence, the information provided in the Form is complete and accurate.

(s) "Philip Porat" February 18,2020

Name: Philip Porat Date:

Title: CFO

Reporting Issuer Name: ADL Ventures Inc.

End date of previous financial year: December 31, 2019

Type of Reporting Issuer: ☑ Class 1 Reporting Issuer ☐ Class 3B Reporting Issuer

Highest Trading Marketplace: TSX Venture
(refer to the definition of "highest trading marketplace" under OSC Rule 13-502 Fees)

Market value of listed or quoted equity securities:
(in Canadian Dollars -- refer to section 7.1 of OSC Rule 13-502 Fees)

Equity Symbol: AVI

1st Specified Trading Period
(refer to the definition of "specified trading period" under OSC Rule 13-502 Fees) 01/01/19 (DD/MM/YY) to 31/03/19 (DD/MM/YY)

Closing price of the security in the class or series on the last trading day of the specified trading period in which such security was listed or quoted on the highest trading marketplace: $ 0.08 (i)

Number of securities in the class or series of such security outstanding at the end of the last trading day of the specified trading period: 9,100,000 (ii)

Market value of class or series (i) x (ii): $ 728,000 **(A)**

2nd Specified Trading Period
(refer to the definition of "specified trading period" under OSC Rule 13-502 Fees) 1/04/19 (DD/MM/YY) to 30/06/19 (DD/MM/YY)

Closing price of the security in the class or series on the last trading day of the specified trading period in which such security was listed or quoted on the highest trading marketplace: $ 0.085 (iii)

Number of securities in the class or series of such security outstanding at the end of the last trading day of the specified trading period: 9,100,000 (iv)

Market value of class or series (iii) x (iv): $ 773,500 **(B)**

3rd Specified Trading Period
(refer to the definition of "specified trading period" under OSC Rule 13-502 Fees) 01/07/19 (DD/MM/YY) to 30/09/19 (DD/MM/YY)

Closing price of the security in the class or series on the last trading day of the specified trading period in which such security was listed or quoted on the highest trading marketplace: $ 0.075 (v)

Number of securities in the class or series of such security outstanding at the end of the last trading day of the specified trading period: 9,100,000 (vi)

Market value of class or series (v) x (vi): $ 682,500 **(C)**

4th Specified Trading Period
(refer to the definition of "specified trading period" under OSC Rule 13-502 Fees)

01/10/19 (DD/MM/YY) to 31/12/19 (DD/MM/YY)

Closing price of the security in the class or series on the last trading day of the specified trading period in which such security was listed or quoted on the highest trading marketplace

$ 0.075 (vii)

Number of securities in the class or series of such security outstanding at the end of the last trading day of the specified trading period

9,100,000 (viii)

Market value of class or series (vii) x (viii) $ 682,500 **(D)**

5th Specified Trading Period (if applicable)
(refer to the definition of "specified trading period" under OSC Rule 13-502 Fees)

(DD/MM/YY) to (DD/MM/YY)

Closing price of the security in the class or series on the last trading day of the specified trading period in which such security was listed or quoted on the highest trading marketplace

$ (ix)

Number of securities in the class or series of such security outstanding at the end of the last trading day of the specified trading period

(x)

Market value of class or series (ix) x (x) $ **(E)**

Average Market Value of Class or Series
(Calculate the simple average of the market value of the class or series of security for each applicable specified trading period (i.e. A through E above))

$ 716,625 **(1)**

(Repeat the above calculation for each other class or series of equity securities of the reporting issuer (and a subsidiary pursuant to paragraph 2.8(1)(c) of OSC Rule 13-502 Fees, if applicable) that was listed or quoted on a marketplace at the end of the previous financial year)

Fair value of outstanding debt securities
(See paragraph 2.8(1)(b), and if applicable, paragraph 2.8(1)(c) of OSC Rule 13-502 Fees)

$ N/A **(2)**

(Provide details of how value was determined)

Capitalization for the previous financial year (1) + (2) $ 716,625

Participation Fee
(For Class 1 reporting issuers, from Appendix A of OSC Rule 13-502 Fees, select the participation fee)
(For Class 3B reporting issuers, from Appendix A.1 of OSC Rule 13-502 Fees, select the participation fee)

$ 890

Late Fee, if applicable
(As determined under section 2.7 of OSC Rule 13-502 Fees)

$ N/A

Total Fee Payable
(Participation Fee + Late Fee)

$ 890

ADL VENTURES INC.

Financial Statements

For the year ended December 31, 2019 and the 307-day period ended December 31, 2018 *(Expressed in Canadian Dollars)*

Smythe CPA

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF ADL VENTURES INC.

Opinion

We have audited the financial statements of ADL Ventures Inc. (the "Company"), which comprise:

- the statements of financial position as at December 31, 2019 and 2018;
- the statements of comprehensive loss for the year ended December 31, 2019 and the 307-day period ended December 31, 2018;
- the statements of changes in shareholders' equity for the year ended December 31, 2019 and the 307- day period ended December 31, 2018;
- the statements of cash flows for the year ended December 31, 2019 and the 307-day period ended December 31, 2018; and
- the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2019 and 2018, and its financial performance and its cash flows for the year ended December 31, 2019 and the 307-day period ended December 31, 2018 in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial statements, which indicates that the Company incurred a net loss of $74,133 during the year ended December 31, 2019 and, as of that date, the Company has a deficit of $221,599. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises of Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon. In connection with our audits of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, and remain alert for indications that the other information appears to be materially misstated.

We obtained the Management's Discussion and Analysis prior to the date of this auditors' report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditors' report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditors' report is Michelle Chi Wai So.

Smythe LLP

Chartered Professional Accountants

Vancouver, British Columbia
February 18, 2020

ADL VENTURES INC.
Statements of Financial Position
(Expressed in Canadian Dollars)

As at December 31	2019	2018
Assets		
Current		
Cash and cash equivalents	$ 460,592	$ 488,398
Liabilities and Shareholders' Equity		
Liabilities		
Current		
Accounts payable	$ 65,565	$ 13,543
Accrued liabilities	-	5,695
	65,565	19,238
Shareholders' Equity		
Share capital (note 4)	519,973	519,973
Reserves	96,653	96,653
Deficit	(221,599)	(147,466)
	395,027	469,160
Total Liabilities and Shareholders' Equity	$ 460,592	$ 488,398

Approved on behalf of the Board on February 18, 2020 by:

Laurence Rose (signed)
Laurence Rose, Director

Alan Simpson (signed)
Alan Simpson, Director

The accompanying notes are an integral part of these financial statements.

ADL VENTURES INC.
Statements of Comprehensive Loss
(Expressed in Canadian Dollars)

		Year Ended, December 31, 2019		307-Day Period Ended December 31, 2018
Operating Expenses				
Regulatory and filing fees	$	13,019	$	29,881
Professional fees (note 1)		69,951		36,694
General and administrative		304		107
Share-based compensation (note 4)		-		80,784
	$	(83,274)	$	(147,466)
Other Item				
Interest income		9,141		-
Net Loss and Comprehensive Loss	$	(74,133)	$	(147,466)
Basic and diluted loss per share	$	(0.01)	$	(0.02)
Weighted average number of shares outstanding		9,100,000		7,930,619

The accompanying notes are an integral part of these financial statements.

ADL VENTURES INC.
Statements of Changes in Shareholders' Equity
(Expressed in Canadian Dollars)

	Number of Outstanding Shares	Share Capital	Deficit	Reserves	Total Shareholders' Equity
Balance, February 27, 2018 (incorporation)	**1**	**$ -**	**$ -**	**$ -**	**$ -**
Common share cancelled	(1)	-	-	-	-
Shares issued for cash	9,100,000	605,000	-	-	605,000
Share issuance costs	-	(85,027)	-	15,869	(69,158)
Share-based compensation	-	-	-	80,784	80,784
Net loss for the period	-	-	(147,466)	-	(147,466)
Balance, December 31, 2018	**9,100,000**	**$ 519,973**	**$ (147,466)**	**$ 96,653**	**$ 469,160**
Net loss for the year	-	-	(74,133)	-	(74,133)
Balance, December 31, 2019	**9,100,000**	**$ 519,973**	**$ (221,599)**	**$ 96,653**	**$ 395,027**

The accompanying notes are an integral part of these financial statements.

ADL VENTURES INC.
Statements of Cash Flows
(Expressed in Canadian Dollars)

		Year Ended December 31, 2019		307-Day Period Ended December 31, 2018
Cash Provided by (Used in)				
Operating Activities				
Net loss	$	(74,133)	$	(147,466)
Item not affecting cash:				
Share-based compensation		-		80,784
Changes to non-cash working capital				
Accounts payable and accrued liabilities		46,327		19,238
Net cash used in operating activities		(27,806)		(47,444)
Financing Activities				
Proceeds from the issuance of common shares		-		605,000
Share issuance costs		-		(69,158)
Net cash provided by financing activities		-		535,842
Increase (decrease) in cash		(27,806)		488,398
Cash balance, beginning of period		488,398		-
Cash balance, end of period	$	460,592	$	488,398
Supplemental disclosure of non-cash transactions				
Agent options included in share issuance costs	$	-	$	15,869
Amounts paid for interest	$	-	$	-
Amounts paid for taxes	$	-	$	-
Cash and cash equivalents consist of:				
Cash	$	1,451	$	488,398
Guaranteed investment certificate		459,141		-
	$	460,592	$	488,398

There were no cash investing activities during the year ended December 31, 2019 and the 307-day period ended December 31, 2018.

The accompanying notes are an integral part of these financial statements.

1. Nature of Operations and Going Concern

ADL Ventures Inc. (the "Company") was incorporated under the Business Corporations Act (British Columbia) on February 27, 2018 and is a capital pool company ("CPC"), as defined in TSX Venture Exchange ("TSX-V") Policy 2.4 ("Policy 2.4"). The Company's objective is to identify and evaluate companies, businesses, properties, or assets for acquisition and once identified and evaluated, to negotiate an acquisition or participation subject to receipt of shareholder and regulatory approval (the "Qualifying Transaction").

The Company's registered office address is Suite 1700 - 666 Burrard Street, Vancouver, British Columbia V6C 2X8 and its principal place of business is Suite 901 - 175 Bloor Street East, North Tower, Toronto, Ontario, M4W 3R8.

These financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. As at December 31, 2019, the Company has a deficit of $221,599 (2018 - $147,466). For the year ended December 31, 2019, the Company incurred a net loss of $74,133 (307-day period ended December 31, 2018 - $147,466). There are material uncertainties that may cast significant doubt about the appropriateness of the going concern assumption as the Company has not generated any revenues. The Company's continuing operations as intended are dependent upon the Company's ability to complete a Qualifying Transaction within 24 months of being listed on the TSX-V. Such an acquisition will be subject to shareholder and regulatory approval. In the case of a non- arm's length transaction (as defined in Policy 2.4) a majority of the minority shareholder approval must also be obtained. Should the Company fail to complete a Qualifying Transaction, its ability to raise sufficient financing to maintain operations may be impaired, and accordingly, the Company may be unable to realize the carrying value of its net assets. These financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

On August 13, 2019, the Company announced that it entered into a binding letter of intent with Real Technology Broker Ltd. ("Real") a private company incorporated under the laws of Israel, whereby the Company will acquire all of the issued and outstanding securities of Real by way of a share exchange, arrangement, amalgamation or similar transaction to ultimately form the resulting issuer who will continue on the business of Real. The Company intends that the transaction will constitute its Qualifying Transaction, as such term is defined in the policies of the TSX-V. During the year ended December 31, 2019, the Company incurred $34,746 (307-day period ended December 31, 2018 - $nil) in legal fees relating to the proposed Qualifying Transaction.

2. Basis of Presentation

(a) Statement of compliance

These financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The financial statements of the Company for the year ended December 31, 2019 were reviewed by the Audit Committee and approved and authorized for issue by the Board of Directors on February 18, 2020.

2. Basis of Presentation (Continued)

(b) Basis of presentation

These financial statements have been prepared on a historical cost basis, except for certain financial instruments classified as financial instruments at fair value through profit or loss, which are stated at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. These financial statements are presented in Canadian dollars, which is the Company's functional currency.

3. Significant Accounting Policies

(a) Financial instruments

(i) Financial assets

Initial recognition and measurement

On initial recognition, a financial asset is classified as measured at amortized cost or fair value through profit or loss. A financial asset is measured initially at fair value less, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue. A financial asset is measured at amortized cost if it meets the conditions that:

i) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows;
ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding; and
iii) is not designated as fair value through profit or loss.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at fair value through profit or loss

Financial assets measured at fair value through profit or loss are carried in the statement of financial position at fair value with changes in fair value therein, recognized in profit or loss. The Company classifies cash and cash equivalents as fair value through profit or loss.

Financial assets measured at amortized cost

A financial asset is subsequently measured at amortized cost, using the effective interest method and net of any impairment allowance.

There are no financial assets classified as measured at amortized cost.

3. Significant Accounting Policies (Continued)

(a) Financial instruments (Continued)

(ii) Derecognition

A financial asset or, where applicable, a part of a financial asset or part of a group of similar financial assets is derecognized when:

- the contractual rights to receive cash flows from the asset have expired; or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset; or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

(iii) Financial liabilities

Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument. A financial liability is derecognized when it is extinguished, discharged, cancelled or when it expires. Financial liabilities are classified as either financial liabilities at fair value through profit or loss or financial liabilities subsequently measured at amortized cost. All interest- related charges are reported in profit or loss within interest expense, if applicable. The Company's financial liabilities included accounts payable and accrued liabilities.

(iv) Fair value hierarchy

Fair value measurements of financial instruments are required to be classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The levels of the fair value hierarchy are defined as follows:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 - Inputs for assets or liabilities that are not based on observable market data.

The carrying value of cash and cash equivalents and accounts payable and accrued liabilities approximates their fair value due to the short-term maturity of these instruments.

(b) Cash and cash equivalents

Cash and cash equivalents consist of cash and guaranteed investments certificates that are readily convertible to known amounts of cash with original maturities of 12 months or less.

3. Significant Accounting Policies (Continued)

(c) Common shares

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares are classified as equity instruments. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

(d) Earnings (loss) per share

The Company presents basic and diluted earnings (loss) per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of shares outstanding during the period. Diluted earnings (loss) per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is antidilutive.

Shares held in escrow, other than where their release is subject to the passage of time, are not included in the calculation of the weighted average number of common shares outstanding.

(e) Income taxes

Tax provisions are recognized when it is considered probable that there will be a future outflow of funds to a taxing authority. In such cases, a provision is made for the amount that is expected to be settled, where this can be reasonably estimated. This requires the application of judgment as to the ultimate outcome, which can change over time depending on facts and circumstances. A change in estimate of the likelihood of a future outflow and/or in the expected amount to be settled would be recognized in income in the period in which the change occurs.

Deferred tax assets or liabilities, arising from temporary differences between the tax and accounting values of assets and liabilities, are recorded based on tax rates expected to be enacted when these differences are reversed. Deferred tax assets are recognized only to the extent it is considered probable that those assets will be recovered. This involves an assessment of when those deferred tax assets are likely to be realized, and a judgment as to whether there will be sufficient taxable profits available to offset the tax assets when they do reverse. This requires assumptions regarding future profitability and is therefore inherently uncertain. To the extent assumptions regarding future profitability change, there can be an increase or decrease in the amounts recognized in respect of deferred tax assets, as well as in the amounts recognized in income in the period in which the change occurs.

Tax provisions are based on enacted or substantively enacted laws. Changes in those laws could affect amounts recognized in income both in the period of change, which would include any impact on cumulative provisions, and in future periods.

3. Significant Accounting Policies (Continued)

(f) Share-based compensation

The Company records all share-based compensation at fair value. Where equity instruments are granted to employees, they are recorded at the fair value of the equity instrument granted at the grant date. The grant date fair value is recognized through profit or loss over the vesting period, described as the period during which all the vesting conditions are to be satisfied.

Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received. When the value of goods or services received in exchange for the share-based compensation cannot be reliably estimated, the fair value is measured by use of a valuation model.

Options and warrants issued as consideration in connection with common share placements are recorded at their fair value on the date of issuance as share issuance costs. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of stock options expected to vest. On the exercise of stock options, agent options and warrants, share capital is recorded for the consideration received and for the fair value amounts previously recorded to share-based compensation reserve. The Company uses the Black-Scholes option pricing model to estimate the fair value of share- based compensation.

(g) Use of estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may vary from these estimates.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Accounting estimates will, by definition, seldom equal the actual results. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future years affected.

Critical accounting estimates

Critical accounting estimates are estimates and assumptions made by management that may result in material adjustments to the carrying amounts of assets and liabilities within the next financial year. Critical accounting estimates include, but are not limited to, the following:

Income tax

The measurement of income taxes payable and deferred income tax assets and liabilities requires management to make estimates in the interpretation and application of the relevant tax laws. The actual amount of income taxes only becomes final upon filing and acceptance of the tax return by the relevant tax authorities, which occurs subsequent to the issuance of the financial statements.

3. Significant Accounting Policies (Continued)

(g) Use of estimates and judgments (continued)

Share-based compensation

The fair value of stock options granted and compensatory warrants is measured using the Black-Scholes option pricing model. Measurement inputs include share price on measurement date, exercise price of the option, expected volatility, expected life of the options, expected dividends and the risk-free rate. The Company estimates volatility based on historical share price of comparable companies, excluding specific time frames in which volatility was affected by specific transactions that are not considered to be indicative of the entities' expected share price volatility. The expected life of the options is based on historical experience and general option holder behavior. Dividends were not taken into consideration as the Company does not expect to pay dividends. Management also makes an estimate of the number of options that will forfeit and the rate is adjusted to reflect the actual number of options that actually vest.

Critical accounting judgments

Critical accounting judgments are accounting policies that have been identified as being complex or involving subjective judgments or assessments. Critical accounting judgments include, but are not limited to, the following:

Going concern

The assessment of whether the going concern assumption is appropriate requires management to take into account all available information about the future, which is at least, but not limited to, 12 months from the end of the reporting period. The Company is aware that material uncertainties exist related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

Changes in accounting policies – Leases

The Company adopted the requirements of IFRS 16 effective January 1, 2019. This new standard replaces IAS 17 Leases and the related interpretative guidance. IFRS 16 applies a control model to the identification of leases, distinguishing between a lease and a service contract on the basis of whether the customer controls the asset being leased. For those assets determined to meet the definition of a lease, IFRS 16 introduces significant changes to the accounting by lessees, introducing a single, on-balance sheet accounting model that is similar to the current accounting for finance leases, with limited exceptions for short-term leases or leases of low value assets. Lessor accounting will be substantially changed. As at January 1, 2019, the Company held no leases and therefore no adjustment was required.

4. Share Capital

(a) Authorized - Unlimited number of common shares without par value.

(b) Issued and outstanding

The Company issued 6,100,000 founders' common shares which are held in escrow following the Company's initial public offering. The escrowed shares were issued for $0.05 per share to officers and directors of the Company for total proceeds of $305,000. These shares will be released pro rata to the shareholders as to 10% upon issuance of the Final Exchange Bulletin in accordance with Policy 2.4, with the remainder being released in six equal tranches of 15% every six months thereafter for a period of 36 months.

On June 25, 2018, the Company successfully completed its initial public offering of 3,000,000 common shares at a price of $0.10 resulting in gross proceeds of $300,000 and received Final Exchange Bulletin. The Company incurred $85,027 of share issuance costs, including agent options valued at $15,869 (note 4c). Pursuant to the polices of the TSX-V, the proceeds raised from the issuance of common shares may only be used to identify and evaluate assets or businesses for future investment, with the exception that not more than the lesser of 30% of the gross proceeds from the issuance of shares or $210,000 may be used to cover prescribed costs of issuing the common shares or administrative and general expenses of the Company. These restrictions apply until completion of the Qualifying Transaction by the Company as defined under the policies of the TSX-V. Upon completion of the Offering, the Company had 9,100,000 common shares issued and outstanding, which common shares commenced trading on the TSX-V under the symbol "AVI.P".

No shares were issued during the year ended December 31, 2019.

(c) Agents' options

The following table summarizes the Company's agent options activity:

	Number of Agents' Options		Weighted Average Exercise Price
Balance, February 27, 2018 (incorporation)	-		-
Granted	300,000	$	0.10
Balance, December 31, 2018 and December 31, 2019	300,000	$	0.10

Pursuant to an Agency Agreement between the Company and PI Financial Corp. (the "Agent"), the Agent was granted non-transferable agent options to purchase up to 300,000 common shares at a price of $0.10 per common share, exercisable for a period of 24 months from June 25, 2018. As at December 31, 2019, the weighted average remaining life of the outstanding agent options is 0.48 years (2018 - 1.48 years).

The weighted average fair value of the agent options was estimated at approximately $0.05 per option at the grant date using the Black-Scholes Pricing Model using the following assumptions: no expected dividends to be paid; volatility of 100% based on industry standard for comparable companies without a historical volatility; risk-free interest rate of 1.77%; and expected life of 2 years.

4. Share Capital (Continued)

(d) Stock options

The Incentive Stock Option Plan provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with TSX-V requirements, grant to directors, officers and technical consultants to the Company, non-transferable options to purchase common shares, exercisable for a period of up to ten years from the date of grant, provided that, until the completion of the Qualifying Transaction the number of common shares reserved for issuance shall not exceed 900,000. Options granted to any optionee that does not continue as a director, officer, technical consultant or employee of the Company may be exercised the greater of 12 months after the completion of the Qualifying Transaction and 90 days following the cessation of the optionee's position with the Company, provided that if the cessation of office, directorship or technical consulting arrangement was by reason of death, the option may be exercised within a maximum period of one year after such death, subject to the expiry date of such option.

Pursuant to Policy 2.4 of the TSX-V, prior to the completion of the Qualifying Transaction, certain additional restrictions respecting the grant of stock options apply to the Company:

- The total number of common shares reserved under option for issuance may not exceed 10% of the common shares outstanding as at the closing of the Initial Public Offering ("IPO"). The number of common shares reserved under option for issuance to any individual director or officer may not exceed 5% of the common shares outstanding after closing of the IPO.
- Other than directors and officers, options may only be issued to technical consultants required to assist the Company in reviewing potential Qualifying Transactions. The number of common shares reserved under option for issuance to all technical consultants may not exceed 2% of the common shares to be outstanding after closing of the IPO.
- Options may not be issued to any persons providing investor relations, promotion or market making services.

The following is a summary of changes in stock options from February 27, 2018 (incorporation) to December 31, 2019:

	Number of Options		Weighted Average Exercise Price
Balance, February 27, 2018 (incorporation)	-		-
Granted	900,000	$	0.10
Balance outstanding and exercisable, December 31, 2018 and December 31, 2019	900,000	$	0.10

On June 25, 2018, the Company granted 900,000 stock options with an exercise price of $0.10 per share and expiry date of June 25, 2028. These stock options were vested immediately. As at December 31, 2019, the weighted average remaining life of the outstanding agent options is 8.49 years (2018 – 9.49 years).

The weighted average fair value of the options was estimated at approximately $0.09 per option at the grant date using the Black-Scholes Pricing Model using the following assumptions: no expected dividends to be paid; volatility of 100% based on industry standard for comparable companies without a historical volatility; risk- free interest rate of 2.09%; and expected life of 10 years.

4. Share Capital (Continued)

Total share-based compensation recorded during the year ended December 31, 2019 was $nil (307-day period ended December 31, 2018 - $80,784).

5. Financial Instruments

Fair value

As at December 31, 2019, the Company's financial instruments consist of cash and cash equivalents and accounts payable and accrued liabilities. The fair values of these financial instruments approximate their carrying values because of their current nature.

IFRS 13, *Fair Value Measurement*, establishes a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used to measure fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. IFRS
13 prioritizes the inputs into three levels that may be used to measure fair value:

Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical unrestricted assets or liabilities.

Level 2 – Inputs that are observable, either directly or indirectly, but do not qualify as Level 1 inputs (i.e. quoted prices for similar assets or liabilities).

Level 3 – Prices or valuation techniques that are not based on observable market data and require inputs that are both significant to the fair value measurement and unobservable.

The Company is exposed to varying degrees to a variety of financial instrument related risks:

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk for the Company is associated with its cash and cash equivalents. The Company is not exposed to significant credit risk as its cash and cash equivalents is placed with a major Canadian financial institution.

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. At December 31, 2019, the Company has sufficient funds to meet its obligations of $65,565 (2018 - $19,238). The Company's accounts payable have contractual maturities of less than 30 days and are subject to normal trade terms.

(c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk comprises three types of risk: foreign currency risk, interest rate risk and other price risk. The Company is not exposed to significant market risk.

6. Capital Management

The Company is actively looking to acquire an interest in a business or assets and this involves a high degree of risk. The Company has not determined whether it will be successful in its endeavours and does not generate cash flows from operations. The Company's primary source of funds comes from the issuance of common shares. The Company does not use other sources of financing that require fixed payments of interest and principal due to lack of cash flow from current operations and is not subject to any externally imposed capital requirements.

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern.

The Company defines its capital as shareholders' equity. Capital requirements are driven by the Company's general operations. To effectively manage the Company's capital requirements, the Company monitors expenses and overhead to ensure costs and commitments are being paid.

7. Related Party Transactions

Related parties include the Board of Directors, close family members and enterprises which are controlled by these individuals as well as persons performing similar functions.

During the year ended December 31, 2019, share-based compensation for stock options of $nil (307-day period ended December 31, 2018 - $80,784) was granted to officers and directors of the Company. There was no other remuneration paid to key management personnel during the period.

8. Income Taxes

The following table reconciles the amount of income tax expense on application of the combined statutory Canadian federal and provincial income tax rates:

		2019		2018
Net loss for the year	**$**	**(74,133)**	$	(147,466)
Statutory rates		**27.00%**		26.00%
Income tax recovery at statutory rate		**(20,016)**		(38,341)
Items not deducted for income tax purposes		**-**		21,121
Effect of change in tax rates		**(1,354)**		-
Under(over)provided in prior years		**(122)**		-
Unused tax losses and tax offsets not recognized		**21,492**		17,220
Income tax expense	**$**	**-**	$	-

The Company recognizes tax benefits on losses or other deductible amounts generated where it is probable the Company will generate future taxable income to be able to utilize those tax assets. The Company's unused tax losses for which no deferred tax asset is recognized is approximately $209,000.

8. Income Taxes (Continued)

The Company has non-capital losses for Canadian tax purposes of approximately $168,000 available for carry- forward to reduce future years' taxable income and will expire in 2038 and 2039. The Company also has deductible share issuance costs of approximately $41,000.

170123-MJ

FORM 13-501F1
CLASS 1 AND CLASS 3B REPORTING ISSUERS - PARTICIPATION FEE

MANAGEMENT CERTIFICATION

I, Philip Porat, an officer of the reporting issuer noted below have examined this Form 13-501F1 (the **Form**) being submitted hereunder to the Alberta Securities Commission and certify that to my knowledge, having exercised reasonable diligence, the information provided in the Form is complete and accurate.

(s) "Philip Porat" February 18, 2020

Name: Philip Porat Date:

Title: CFO

Reporting Issuer Name: ADL Ventures Inc.

End date of previous financial year: December 31, 2019

Type of Reporting Issuer: ☑ Class 1 Reporting Issuer ☐ Class 3B Reporting Issuer

Highest Trading Marketplace: TSX Venture

Market value of listed or quoted equity securities:

Equity Symbol: AVI

1st Specified Trading Period 01/01/19 (DD/MM/YY) to 31/03/19 (DD/MM/YY)

Closing price of the security in the class or series on the last trading day of the specified trading period in which such security was listed or quoted on the highest trading marketplace: $ 0.08 (i)

Number of securities in the class or series of such security outstanding at the end of the last trading day of the specified trading period: 9,100,000 (ii)

Market value of class or series (i) x (ii): $ 728,000 **(A)**

2nd Specified Trading Period 01/04/19 (DD/MM/YY) to 30/06/19 (DD/MM/YY)

Closing price of the security in the class or series on the last trading day of the specified trading period in which such security was listed or quoted on the highest trading marketplace: $ 0.085 (iii)

Number of securities in the class or series of such security outstanding at the end of the last trading day of the specified trading period: 9,100,000 (iv)

Market value of class or series (iii) x (iv): $ 773,500 **(B)**

3rd Specified Trading Period 01/07/19 (DD/MM/YY) to 30/09/19 (DD/MM/YY)

Closing price of the security in the class or series on the last trading day of the specified trading period in which such security was listed or quoted on the highest trading marketplace: $ 0.075 (v)

Number of securities in the class or series of such security outstanding at the end of the last trading day of the specified trading period: 9,100,000 (vi)

Market value of class or series (v) x (vi): $ 682,500 **(C)**

4th Specified Trading Period 01/10/19 (DD/MM/YY) to 31/12/19 (DD/MM/YY)

Closing price of the security in the class or series on the last trading day of the specified trading period in which such security was listed or quoted on the highest trading marketplace $ 0.075 (vii)

Number of securities in the class or series of such security outstanding at the end of the last trading day of the specified trading period 9,100,000 (viii)

Market value of class or series (vii) x (viii) $ 682,500 **(D)**

5th Specified Trading Period _____ (DD/MM/YY) to _____ (DD/MM/YY)

Closing price of the security in the class or series on the last trading day of the specified trading period in which such security was listed or quoted on the highest trading marketplace $ _____ (ix)

Number of securities in the class or series of such security outstanding at the end of the last trading day of the specified trading period _____ (x)

Market value of class or series (ix) x (x) $ _____ **(E)**

Average Market Value of Class or Series
(Calculate the simple average of the market value of the class or series of security for each applicable specified trading period (i.e. A through E above)) $ 716,625 **(1)**

(Repeat the above calculation for each other class or series of equity securities of the reporting issuer (and a subsidiary, if applicable) that was listed or quoted on a marketplace at the end of the previous financial year)

Fair value of outstanding debt securities $ N/A **(2)**

(Provide details of how value was determined)

Capitalization for the previous financial year (1) + (2) $ 716,625

Participation Fee $ 400

Late Fee, if applicable $ N/A

Total Fee Payable
(Participation Fee plus Late Fee) $ 400

ADL VENTURES INC.

MANAGEMENT DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2019

This management discussion and analysis ("MD&A") of ADL Ventures Inc. ("ADL", the "Company", "we", "our") is for the year ended December 31, 2019 and is prepared by management using information available as of February 18, 2020. We have prepared this MD&A with reference to National Instrument 51-102 – Continuous Disclosure Obligations of the Canadian Securities Administrators. This MD&A should be read in conjunction with the Company's audited financial statements for the year ended December 31, 2019, and the related notes thereto. The Company's financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). This MD&A complements and supplements, but does not form part of, the Company's financial statements. All amounts are expressed in Canadian dollars unless otherwise indicated.

Forward-Looking Statements

Certain statements contained in this MD&A may constitute forward-looking statements. These statements relate to future events or the Company's future performance. All statements, other than statements of historical fact, may be forward-looking statements and are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "propose", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward- looking statements. The Company believes that the expectations reflected in these forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this MD&A should not be unduly relied upon by investors as actual results may vary. These statements speak only as of the date of this MD&A and are expressly qualified, in their entirety, by this cautionary statement. The Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of various risk factors.

The Company

ADL Ventures Inc. was incorporated under the Business Corporations Act (British Columbia) on February 27, 2018 and is a capital pool company ("CPC"), as defined in TSX Venture Exchange ("TSX-V") Policy 2.4 ("Policy 2.4"). The Company proposes to identify and evaluate companies, businesses, properties, or assets for acquisition and once identified and evaluated, to negotiate an acquisition or participation subject to receipt of shareholder and regulatory approval (the "Qualifying Transaction").

The Company's registered office address is Suite 1700 - 666 Burrard Street, Vancouver, British Columbia V6C 2X8 and its principal place of business is Suite 901 - 175 Bloor Street East, North Tower, Toronto, Ontario, M4W 3R8.

On June 25, 2018, the Company successfully completed its initial public offering ("IPO") of 3,000,000 common shares at a price of $0.10 resulting in gross proceeds of $300,000. Pursuant to the polices of the TSX-V, the proceeds raised from the issuance of common shares may only be used to identify and evaluate assets or businesses for future investment, with the exception that not more than the lesser of 30% of the gross proceeds from the issuance of shares, or $210,000, may be used to cover prescribed costs of issuing the common shares or administrative and general expenses of the Company. These restrictions apply until completion of the Qualifying Transaction by the Company as defined under the policies of the TSX-V. Upon completion of the Offering, the Company had 9,100,000 common shares issued and outstanding.

The Company's common shares commenced trading on the TSX-V under the symbol "AVI.P" on July 6, 2018.

Significant Event

On August 13, 2019, the Company announced that it entered into a binding letter of intent with Real Technology Broker Ltd. ("Real") a private company incorporated under the laws of Israel, whereby ADL will acquire all of the issued and outstanding securities of Real by way of a share exchange, arrangement, amalgamation or similar transaction to ultimately form the resulting issuer who will continue on the business of Real. ADL intends that the transaction will constitute its Qualifying Transaction, as such term is defined in the policies of the TSX-V.

Real is a technology driven national real estate brokerage platform primarily operating in the United States through a network of approximately 1,100 agents. Real has a unique operational model providing teams and agents' freedom, flexibility, success tools, long term security and a sense of community to build their reputations and professional assets with the help of a leading-edge digital platform built from the ground up for their success.

Results of Operations

At December 31, 2019, the Company had no continuing source of operating revenues and related expenditures.

Results for year ended December 31, 2019

For the year ended December 31, 2019, the Company recorded a net loss of $74,133 (307-day period ended December 31, 2018 - $147,466). The decrease in the net loss of $73,333 is mainly due to the following changes:

- Share-based compensation decreased from $80,784 in the comparative period to $nil in the year ended December 31, 2019 due to the 900,000 stock options being granted and vested in the prior year.
- Professional fees increased by $33,257 from the prior year to $69,951 in the year ended December 31, 2019 due to activity related to the binding letter of intent with Real.
- Regulatory and filing fees decreased by $16,862 from the prior year to $13,019 in the year ended December 31, 2019 due to costs related to SEDAR and the TSX-V in the prior year as a result of the Company completing its prospectus and IPO.

Results for three months ended December 31, 2019

For the three months ended December 31, 2019, the Company recorded a net loss of $9,307 (2018 - $21,995). The decrease in the net loss of $12,688 is mainly due to the following changes:

- Regulatory and filing fees decreased by $18,353 from the comparative period to $nil in the three months ended December 31, 2019 due costs related to registering the Company on SEDAR and the Toronto Stock Exchange in the prior year. There were no comparable expenses in the three months ended December 31, 2019.
- Professional fees increased by $7,946 from the comparative period to $11,556 in the three months ended December 31, 2019 due to activity related to the binding letter of intent with Real.

Annual Financial Information

The following table sets forth selected financial information for the year ended December 31, 2019 ("Fiscal 2019") and the 307-day period ended December 31, 2018 ("Fiscal 2018"). The selected financial information set out below has been derived from the audited annual financial statements and accompanying notes, in each case prepared in accordance with IFRS. The selected financial information set out below may not be indicative of the Company's future performance. The following discussion should be read in conjunction with the financial statements.

	Fiscal 2019	Fiscal 2018
Total revenue	$ -	$ -
Net loss for the fiscal year	(74,133)	(147,466)
Loss per share, basic and fully diluted	(0.01)	(0.02)
Total assets	460,592	488,398
Total non-current financial liabilities	-	-
Cash dividends declared per common share	-	-

Due the limited operating history of the Company, only two fiscal years have been reported.

Summary of Quarterly Financial Results

The following is a summary of selected financial information compiled from the eight recent quarterly interim unaudited financial statements ended December 31, 2019:

Period	Net loss for the period $	Loss per share $
March 31, 2018	-	-
June 30, 2018	(110,450)	(0.01)
September 30, 2018	(15,021)	(0.00)
December 31, 2018	(21,995)	(0.00)
March 31, 2019	(18,269)	(0.00)
June 30, 2019	(13,548)	(0.00)
September 30, 2019	(33,009)	(0.00)
December 31, 2019	(9,307)	(0.00)

The variability of the net loss during the seven most recent quarters is mainly due to significant expenses related to activities and services utilized in connection to the Company's completion of the prospectus and completion of the IPO during the quarter ended June 30, 2018. During the three months ended September 30, 2019, there was an increase in the net loss of $19,461 from the quarter ended June 30, 2019 due to increased legal expenses related to the binding letter of intent with Real. During the three months ended December 31, 2019, the net loss decreased by $23,702 when compared to the three months ended September 30, 2019 due to a decrease in legal fees related to the binding letter of intent.

Due to limited historical activity in the Company, no trends have been noted in reviewing the summary of selected financial information for the eight quarters ended December 31, 2019.

The Company has not earned any revenue since inception.

Liquidity and Capital Resources

The Company has financed its operations to date through the issuance of common shares. The Company continues to seek capital through various means including the issuance of equity and/or debt.

At December 31, 2019, the Company had cash and cash equivalents on hand of $460,592 (December 31, 2018 - $488,398) to meets is obligations of $65,565 (December 31, 2018 - $19,238).

The Company estimates that $450,000 of the cash and cash equivalents on hand will be used for evaluating and acquiring assets. The Company estimates that the remaining cash and cash equivalents will be used for general and administrative expenses until the completion of a Qualifying Transaction.

Outstanding Share Data

As of the date of this MD&A, 9,100,000 common shares were issued and outstanding (December 31, 2019 – 9,100,000). The outstanding securities and options have been summarized in the following table:

	As at the date of this MD&A	**As at December 31, 2019**
Common shares issued and outstanding	9,100,000	9,100,000
Agents' options	300,000	300,000
Stock options	900,000	900,000

The Company also granted the directors' and officers' stock options at closing of the Offering, which will entitle the holders to purchase an aggregate of up to 900,000 Common Shares at a price of $0.10 per common share for a period of 10 years from the date of grant, in accordance with the policies of the TSX-V. As at December 31, 2019, the 900,000 stock options are still outstanding.

Pursuant to an Agency Agreement between the Company and PI Financial Corp. (the "Agent"), the Agent was granted non-transferable agent options to purchase up to 300,000 common shares at a price of $0.10 per common share, exercisable for a period of 24 months from the date the common shares commenced trading on the TSX-V. As at December 31, 2019, the 300,000 agent options are still outstanding.

Related Party Transactions

During the year ended December 31, 2019, no related party transactions occurred.

During the 307-day period ended December 31, 2018, the following related party transactions occurred:

- The Chief Executive Officer/Chairman was granted 225,000 stock options with a fair value of $20,196.
- The Chief Financial Officer/Corporate Secretary was granted 225,000 stock options with a fair value of $20,196.
- A Director of the Company was granted 225,000 stock options with a fair value of $20,196.
- A Director of the Company was granted 225,000 stock options with a fair value of $20,196.

Off-Balance Sheet Arrangements

The Company has not had any off-balance sheet arrangements from the date of its incorporation to the date of this MD&A.

Proposed Transactions

Other than the above noted Significant Event, there are at present no transactions outstanding that have been proposed but not approved by either the Company or regulatory authorities.

Capital Management

The Company's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

The Company includes equity, comprised of share capital, reserves and deficit, in the definition of capital.

The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the identification and evaluation of potential acquisitions. To secure the additional capital necessary to pursue these plans, the Company may attempt to raise additional funds through the issuance of equity or by securing strategic partners.

The proceeds raised from the issuance of common shares may only be used to identify and evaluate assets or businesses for future investment, with the exception that not more than the lesser of 30% of the gross proceeds from the issuance of shares, or $210,000, may be used to cover prescribed costs of issuing the common shares or administrative and general expenses of the Company. These restrictions apply until completion of a Qualifying Transaction by the Company as defined under the Exchange policy 2.4.

Financial Instruments

The Company's financial instruments, consisting of cash and cash equivalents and accounts payable and accrued liabilities, approximate fair value due to the relatively short-term maturities of the instruments. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

Risks and Uncertainties

The Company's sole objective is to identify a satisfactory Qualifying Transaction. The closing of any proposed Qualifying Transaction is subject to several terms and conditions, including completion of due diligence procedures by parties to the transaction and receipt of all required regulatory approvals, and there is no assurance that a transaction will be completed. If the Company does not complete a Qualifying Transaction within the time permitted by the Exchange, its common shares could be delisted.

The proposed business of the Company and the completion of a Qualifying Transaction involves a high degree of risk and there is no assurance that the Company will identify an appropriate business for acquisition or investment, and even if so identified and warranted, it may not be able to finance such an acquisition or investment within the requisite time period. Additional funds will be required to enable the Company to pursue such an initiative and the Company may be unable to obtain such financing on terms which are satisfactory to it. Furthermore, there is no assurance that the business will be profitable. These factors indicate the existence of a material uncertainty that may cast doubt about the Company's ability to continue as a going concern. Should the Company be unable to continue as a going concern, the net realizable value of its assets may be materially less than the amounts on its statement of financial position.

Conflicts of Interest

The Company's directors and officers may serve as directors or officers, or may be associated with other reporting companies, or have significant shareholdings in other public companies. To the extent that such other companies may participate in business or asset acquisitions, dispositions, or ventures in which the Company may participate, the directors and officers of the Company may have a conflict of interest in negotiating and concluding on terms with respect to the transaction. If a conflict of interest arises, the Company will follow the provisions of the Business Corporations Act (British Columbia) (the "BCBCA") in dealing with conflicts of interest. These provisions state that where a director has such a conflict, that director must, at a meeting of the Company's directors, disclose his or her interest and refrain from voting on the matter unless otherwise permitted by the BCBCA. In accordance with the laws of the Province of British Columbia, the directors and officers of the Company are required to act honestly, in good faith, and in the best interest of the Company.

Significant Accounting Policies

The Company's significant accounting policies are summarized in Note 3 to the audited financial statements for the year ended December 31, 2019.

Changes in Accounting Policies

Leases – IFRS 16

The Company adopted the requirements of IFRS 16 effective January 1, 2019. This new standard replaces IAS 17 Leases and the related interpretative guidance. IFRS 16 applies a control model to the identification of leases, distinguishing between a lease and a service contract on the basis of whether the customer controls the asset being leased. For those assets determined to meet the definition of a lease, IFRS 16 introduces significant changes to the accounting by lessees, introducing a single, on-balance sheet accounting model that is similar to the current accounting for finance leases, with limited exceptions for short-term leases or leases of low value assets. Lessor accounting will be substantially changed.

As at January 1, 2019, the Company held no leases and therefore no adjustment was required.

Additional Information

For further detail, see the Company's audited financial statements for the year ended December 31, 2019. Additional information about the Company can also be found on SEDAR at www.sedar.com.

Form 52-109FV1
Certification of Annual Filings
Venture Issuer Basic Certificate

I, PHILIP PORAT, CHIEF FINANICAL OFFICER OF ADL VENTURES INC., certify the following:

1. ***Review:*** I have reviewed the AIF, if any, annual financial statements and annual MD&A, including, for greater certainty, all documents and information that are incorporated by reference in the AIF (together, the "annual filings") of **ADL VENTURES INC.** (the "issuer") for the financial year ended **December 31, 2019.**

2. ***No misrepresentations:*** Based on my knowledge, having exercised reasonable diligence, the annual filings 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, for the period covered by the annual filings.

3. ***Fair presentation:*** Based on my knowledge, having exercised reasonable diligence, the annual financial statements together with the other financial information included in the annual filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the annual filings.

Date: **February 18, 2020**

"Philip Porat"

Philip Porat
Chief Financial Officer

NOTE TO READER

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* (NI 52-109), this Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of

i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52- 109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Form 52-109FV1
Certification of Annual Filings
Venture Issuer Basic Certificate

I, LAURENCE ROSE, CHIEF EXECUTIVE OFFICER OF ADL VENTURES INC., certify the following:

1. ***Review:*** I have reviewed the AIF, if any, annual financial statements and annual MD&A, including, for greater certainty, all documents and information that are incorporated by reference in the AIF (together, the "annual filings") of **ADL VENTURES INC.** (the "issuer") for the financial year ended **December 31, 2019.**

2. ***No misrepresentations:*** Based on my knowledge, having exercised reasonable diligence, the annual filings 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, for the period covered by the annual filings.

3. ***Fair presentation:*** Based on my knowledge, having exercised reasonable diligence, the annual financial statements together with the other financial information included in the annual filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the annual filings.

Date: **February 18, 2020**

"Laurence Rose"

Laurence Rose
Chief Executive Officer

NOTE TO READER

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* (NI 52-109), this Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of

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May 7, 2020
For Immediate Release

ADL Ventures Inc.
175 Bloor Street East
Suite 901, North Tower
Toronto, Ontario
M4W 3R8

NOT FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES OR FOR RELEASE, PUBLICATION, DISTRIBUTION OR DISSEMINATION DIRECTLY, OR INDIRECTLY, IN WHOLE OR IN PART, IN OR INTO THE UNITED STATES.

ADL Ventures Inc. postpones filing of first quarter financial statements and MD&A due to Covid-19

Toronto, Ontario, Canada – May 7, 2020 - ADL Ventures Inc. (AVI: TSX-V) ("**ADL**" or the "**Corporation**") has postponed filing its first quarter financial statements and management's discussion and analysis for the period ended March 31, 2020 (the "**First Quarter Financial Information**"), due to delays caused by the COVID-19 pandemic.

ADL is relying on exemptive relief granted by Canadian securities regulatory authorities that allows it to delay the filing of its First Quarter Financial Information required by sections 4.4 and 5.1(2) of National Instrument 51-102 by June 1, 2020. In response to the coronavirus pandemic, securities regulatory authorities in Canada have granted a blanket exemption allowing issuers an additional 45 days to complete their regulatory filings.

ADL estimates that its First Quarter Financial Information, and associated certificates will be available for filing at its earliest opportunity, which is expected to occur on or before June 30, 2020. Until such time as these documents are filed, ADL's management and other insiders are subject to a trading blackout that reflects the principles contained in section 9 of National Policy 11-207 -- *Failure-to-File Cease Trade Orders and Revocations in Multiple Jurisdictions*.

There have been no material business developments since the date of the last interim financial statements, filed on February 18, 2020, which are available on SEDAR at www.sedar.com.

About ADL Ventures Inc.

ADL Ventures Inc. is a capital pool company. The Company's principal business activity is to identify and evaluate opportunities for acquisition of assets or business. The Company was incorporated under the Business Corporations Act (British Columbia) on February 27, 2018, and is headquartered in Toronto, Ontario.

ADL entered into a definitive Securities Exchange Agreement dated March 5, 2020 (the "SEA") with Real Technology Broker Ltd. ("Real") a private company incorporated under the laws of Israel, whereby ADL will acquire all of the issued and outstanding securities of Real to ultimately form the resulting issuer (the "Resulting Issuer") who will continue on the business of Real (the "Transaction"), subject to the terms and conditions outlined below. The company continues to work with Real to obtain TSXV approval for the qualifying transaction and will provide further updates in due course.

Real, is a technology driven national real estate brokerage platform primarily operating in the United States through a network of approximately 1,100 agents. Real has a unique operational model providing teams and agents freedom, flexibility, success tools, long term security and a sense of community to build their reputations and professional assets with the help of a leading edge digital platform built from the ground up for their success.

For further information regarding ADL Ventures Inc., please contact:

ADL Ventures Inc.
Laurence Rose
Chairman, President and Chief Executive
Officer 647-920-6383
lrose@matchpointcapital.ca

Cautionary Note

As noted above, completion of the Transaction is subject to receipt of all requisite regulatory, stock exchange, court or governmental approvals, authorizations and consents, approval of the shareholders of ADL and Real (as applicable). Where applicable, the Transaction cannot close until the required approvals have been obtained. There can be no assurance that the Transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the continuous disclosure document containing full, true and plain disclosure regarding the Transaction, required to be filed with the securities regulatory authorities having jurisdiction over the affairs of the Company, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon. The trading in the securities of ADL on the Exchange, should be considered highly speculative. Trading in the common shares of the Company is presently halted and is expected to remain halted pending closing of the Transaction. While halted, the common shares of the Company may only trade upon Exchange approval and the filing of required materials with the Exchange as contemplated by Exchange policy.

Forward Looking Information

Although the Company believes, in light of the experience of its officers and directors, current conditions and expected future developments and other factors that have been considered appropriate that the expectations reflected in this forward-looking information are reasonable, undue reliance should not be placed on them because the Company can give no assurance that they will prove to be correct. When used in this press release, the words "estimate", "project", "belief", "anticipate", "intend", "expect", "plan", "predict", "may" or "should" and the negative of these words or such variations thereon or comparable terminology are intended to identify forward- looking statements and information. The forward-looking statements and information in this press release include information relating to the business plans of ADL and Real, the Transaction (including Exchange approval, court approval, and the closing of the Transaction), the board of directors and management of the Resulting Issuer upon completion of the Transaction and the

Brokered Private Placement. Such statements and information reflect the current view of ADL and/or Real, respectively. Risks and uncertainties that may cause actual results to differ materially from those contemplated in those forward looking statements and information.

By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the following risks: (i) there is no assurance that ADL and Real will obtain all requisite approvals for the Transaction, including the approval of their respective shareholders (as applicable), the approval of the Exchange for the Transaction (which may be conditional upon amendments to the terms of the Transaction) or court approval of the Transaction; (ii) there is no assurance the Brokered Private Placement will be completed as contemplated or at all; (iii) following completion of the Transaction, the Resulting Issuer may require additional financing from time to time in order to continue its operations and financing may not be available when needed or on terms and conditions acceptable to the Resulting Issuer; (iv) new laws or regulations could adversely affect the Resulting Issuer's business and results of operations; and (v) the stock markets have experienced volatility that often has been unrelated to the performance of companies. These fluctuations may adversely affect the price of the Resulting Issuer's securities, regardless of its operating performance. There are a number of important factors that could cause ADL's and Real's actual results to differ materially from those indicated or implied by forward-looking statements and information. Such factors include, among others: currency fluctuations; limited business history of ADL; disruptions or changes in the credit or security markets; results of operation activities and development of projects; project cost overruns or unanticipated costs and expenses, and general market and industry conditions. The terms and conditions of the Qualifying Transaction may be based on the Company's due diligence and the receipt of tax, corporate and securities law advice for both the Company and Real. The Company undertakes no obligation to comment on analyses, expectations or statements made by third parties in respect of the Company, Real, their securities, or their respective financial or operating results (as applicable).

ADL cautions that the foregoing list of material factors is not exhaustive. When relying on ADL's forward-looking statements and information to make decisions, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. ADL has assumed that the material factors referred to in the previous paragraph will not cause such forward- looking statements and information to differ materially from actual results or events. However, the list of these factors is not exhaustive and is subject to change and there can be no assurance that such assumptions will reflect the actual outcome of such items or factors. The forward-looking information contained in this press release represents the expectations of ADL as of the date of this press release and, accordingly, is subject to change after such date. Readers should not place undue importance on forward-looking information and should not rely upon this information as of any other date. ADL does not undertake to update this information at any particular time except as required in accordance with applicable laws.

This press release is not an offer of the securities for sale in the United States. The securities have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an exemption from registration. 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.

Completion of the Transaction is subject to a number of conditions, including but not limited to, Exchange acceptance and if applicable pursuant to Exchange requirements, shareholder approval. Where applicable, the transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the Transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of a capital pool company should be considered highly speculative.

The TSX Venture Exchange Inc. has in no way passed upon the merits of the Transaction and has neither approved nor disapproved the contents of this press release.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this press release.

FILING STATEMENT

IN RESPECT OF THE

QUALIFYING TRANSACTION OF

ADL VENTURES INC.

WITH

REAL TECHNOLOGY BROKER LTD.

May 26, 2020

Neither the TSX Venture Exchange Inc. (the "Exchange") nor any securities regulatory authority has in any way passed upon the merits of the Qualifying Transaction described in this filing statement.

TABLE OF CONTENTS

GLOSSARY OF TERMS

The following is a glossary of certain definitions used in this Filing Statement. Terms and abbreviations used in the appendices to this Filing Statement are defined separately and the terms and abbreviations defined below are not used therein, except where otherwise indicated.

"**ADL**" or the "**Company**" means ADL Ventures Inc., a capital pool company;

"**ADL Common Shares**" means the common shares of ADL Ventures Inc.;

"**ADL Option Plan**" means the ADL stock option plan dated April 18, 2018;

"**Affiliate**" means a corporation that is affiliated with another corporation as follows:

(a) a corporation is an "Affiliate" of another corporation if:
  (i) one of them is the subsidiary of the other; or
  (ii) each of them is controlled by the same Person;

(b) a corporation is "controlled" by a Person if:
  (i) voting securities of the corporation are held, other than by way of security only, by or for the benefit of that Person; and
  (ii) the voting securities, if voted, entitle the Person to elect a majority of the directors of the corporation;

(c) a Person beneficially owns securities that are beneficially owned by:
  (i) a corporation controlled by that Person; or
  (ii) an Affiliate of that Person or an Affiliate of any corporation controlled by that Person;

"**Associate**", when used to indicate a relationship with a person or company, means:

(a) an issuer of which the person or company beneficially owns or controls, directly or indirectly, voting securities entitling him to more than 10% of the voting rights attached to outstanding securities of the issuer,
(b) any partner of the person or company,
(c) any trust or estate in which the person or company has a substantial beneficial interest or in respect of which a person or company serves as trustee or in a similar capacity,
(d) in the case of a person, a relative of that person, including
  (i) that person's spouse or child, or
  (ii) any relative of the person or of his spouse who has the same residence as that person,

but:

(e) where the Exchange determines that two persons shall, or shall not, be deemed to be associates with respect to a Member firm, Member corporation or holding company of a Member corporation, then such determination shall be determinative of their relationships in the application of Rule D with respect to that Member firm, Member corporation or holding company;

"**BCBCA**" means the *Business Corporations Act* (British Columbia), including the regulations promulgated thereunder, as amended from time to time;

"**Closing**" or "**Closing Date**" means the closing of the Transaction in accordance with the terms of the Transaction Agreement, as described herein;

"**Completion of the Qualifying Transaction**" means the date the Final Exchange Bulletin is issued by the Exchange, signifying completion of the Transaction;

"**Control Person**" means any Person that holds or is one of a combination of Persons that holds a sufficient number of any of the securities of an issuer so as to affect materially the control of that issuer, or that holds more than 20% of the outstanding voting securities of an issuer except where there is evidence showing that the holder of those securities does not materially affect the control of the issuer;

"**CPC**" means a corporation:

(a) that has been incorporated or organized in a jurisdiction in Canada;
(b) that has filed and obtained a receipt for a preliminary CPC prospectus from one or more of the securities regulatory authorities in compliance with the CPC Policy; and
(c) in regard to which the Completion of the Qualifying Transaction has not yet occurred;

"**CPC Policy**" means Exchange Policy 2.4 - *Capital Pool Companies* of the Exchange's Corporate Finance Manual;

"**Exchange**" or "**TSXV**" means the TSX Venture Exchange Inc.;

"**Exchange Requirements**" means and includes the articles, by-laws, policies, circulars, rules, guidelines, orders, notices, rulings, forms, decisions and regulations of the Exchange as from time to time enacted, any instructions, decisions and directions of the Exchange (including those of any committee of the Exchange as appointed from time to time), the *Securities Act* (Ontario) and rules and regulations thereunder as amended, and any policies, rules, orders, rulings, forms or regulations from time to time enacted by the Ontario Securities Commission and all applicable provisions of the securities laws of any other jurisdiction;

"**Filing Statement**" means this filing statement, together with all schedules hereto and including the summary hereof;

"**Final Exchange Bulletin**" means the Exchange Bulletin which is issued following the Closing of the Qualifying Transaction and the submission of all required documentation and that evidences the final Exchange acceptance of the Qualifying Transaction;

"**IFRS**" means International Financial Reporting Standards, as issued by the International Accounting Standards Board;

"**Insider**", if used in relation to an issuer, means:

(a) a director or senior officer of the issuer;
(b) a director or senior officer of the corporation that is an Insider or subsidiary of the issuer;

(c) a Person that beneficially owns or controls, directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of the issuer; or

(d) the issuer itself if it holds any of its own securities;

"**Law**" or "**Laws**" means all laws (including common law), by-laws, statutes, rules, regulations, principles of law and equity, orders, rulings, ordinances, judgements, injunctions, determinations, awards, decrees or other requirements, whether domestic or foreign, and the terms and conditions of any grant of approval, permission, authority or license of any governmental entity or self-regulatory authority (including the Exchange);

"**Letter of Intent**" means the letter of intent between ADL and Real dated August 13, 2019 with respect to the Transaction;

"**Member**" means a Person who has executed the Members' Agreement, as amended from time to time, and is accepted as and becomes a member of the Exchange under the Exchange Requirements;

"**Members' Agreement**" means the members' agreement among the Exchange and each Person who, from time to time, is accepted as and becomes a member of the Exchange;

"**NEO**" has the meaning ascribed under Part III - "*Information Concerning Real - Executive Compensation*".

"**Non-Arm's Length Party**" means: (a) in relation to a company, a Promoter, officer, director, other Insider or Control Person of that company and any Associates or Affiliates of any of such Persons; and (b) in relation to an individual, means any Associate of the individual or any company of which the individual is a Promoter, officer, director, Insider or Control Person;

"**Person**" includes an individual, partnership, association, body corporate, trustee, executor, administrator or legal representative;

"**Promoter**" means:

(a) a person or company that, acting alone or in conjunction with one or more other persons, companies or a combination of them, directly or indirectly, takes the initiative in founding, organizing or substantially reorganizing the business of an issuer; or
(b) a person or company that, in connection with the founding, organizing or substantial reorganizing of the business of an issuer, directly or indirectly, receives in consideration of services or property or both services and property, 10% or more of the issued securities of a class of securities of the issuer or 10% or more of the proceeds from the sale of a class of securities of a particular issue, but a person or company who receives the securities or proceeds either solely as underwriting commissions or solely in consideration of property shall not be considered a Promoter within the meaning of this definition where that person or company does not otherwise take part in founding, organizing or substantially reorganizing the business;

"**Qualifying Transaction**" means the Transaction;

"**Real**" means Real Technology Broker Ltd., a private corporation incorporated under the laws of Israel;

"**Real Common Shares**" means the ordinary shares in the capital of Real;

"**Real LLC**" means Real Broker LLC, a limited liability company formed under the laws of Texas;

"**Real Preferred Shares**" means the Series A Preferred Shares of Real;

"**Real Shareholders**" means the holders of Real Common Shares;

"**Resulting Issuer**" means the issuer that was formerly a CPC that exists upon issuance of the Final Exchange Bulletin;

"**Resulting Issuer Board**" means the board of directors of the Resulting Issuer;

"**Resulting Issuer Common Shares**" means the common shares in the capital of the Resulting Issuer, after Completion of the Qualifying Transaction;

"**Resulting Issuer Compensation Options**" means the compensation options exercisable into common shares in the capital of the Resulting Issuer, after Completion of the Qualifying Transaction;

"**Resulting Issuer Options**" means the options exercisable into common shares in the capital of the Resulting Issuer, under the Resulting Issuer's Stock Option Plan, after Completion of the Qualifying Transaction;

"**Resulting Issuer Option Plan**" means the ADL Option Plan as it is reconstituted after Completion of the Qualifying Transaction;

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval;

"**Transaction**" means the acquisition by ADL of all of the issued and outstanding Real Common Shares (including Real Common Shares to be issued upon the conversion of Real Preferred Shares on a one-for-one basis immediately prior to the closing of the Transaction), upon the terms and conditions set forth in the Transaction Agreement;

"**Transaction Agreement**" means the securities exchange agreement made as of March 5, 2020 by and among Real, the Real Shareholders and ADL in respect of the Qualifying Transaction; and

"**United States**" or "**US**" means the United States of America, its territories and possessions, any state of the United States and the District of Columbia.

FORWARD-LOOKING STATEMENTS

This Filing Statement contains forward-looking information within the meaning of applicable securities laws. Often, but not always, forward-looking information can be identified by the use of words such as "plans", "expects", "does not expect", "is expected", "estimates", "intends", "anticipates", "does not anticipate", or "believes", or variations of such words and phrases or states that certain actions, events or results "may", "could", "would", "might" or "will" be taken to occur or be achieved.

Forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company, Real or the Resulting Issuer to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Although the Company and Real have attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements.

Known and unknown factors could cause actual results or events to differ materially from those projected in the forward-looking statements. Such factors include, but are not limited to:

- the Completion of the Qualifying Transaction and Exchange approval;
- fluctuations in the currency markets;
- changes in interest rates;
- disruption to the credit markets and delays in obtaining financing;
- inflationary pressures;
- changes in national and local government legislation, taxation, controls, regulations and political or economic developments in Canada, or other countries in which the Resulting Issuer may, upon Completion of the Qualifying Transaction, carry on business;
- business opportunities that may be presented to, or pursued by the Resulting Issuer upon Completion of the Qualifying Transaction;
- operating or technical difficulties in connection with business activities;
- the possibility of cost overruns or unanticipated expenses;
- employee relations;
- the risks of obtaining and renewing necessary licenses and permits;
- the occurrence of natural disasters, infectious diseases (including COVID-19 Coronavirus) hostilities, acts of war or terrorism;
- the ability of the Resulting Issuer to obtain insurance for its operations.
- there may not be an active or liquid market for the Resulting Issuer Common Shares after Completion of the Qualifying Transaction;
- the Resulting Issuer may never pay any dividends;

The factors identified above are not intended to represent a complete list of the factors that could affect the Company, Real or the Resulting Issuer. See PART VI - RISK FACTORS.

Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward- looking information prove incorrect, actual results, performance or achievement may vary materially from those expressed or implied by the forward-looking information contained in this Filing Statement. These factors should be carefully considered and readers are cautioned not to place undue reliance on forward-looking information, which speaks only as of the date of this Filing Statement. All subsequent forward-looking information attributable to the Company, Real or the Resulting Issuer herein is expressly qualified in its entirety by the cautionary statements and by the risk factors contained in or referred to herein. The Company, Real and the Resulting Issuer do not undertake any obligation to release publicly any revisions to this forward-looking information to reflect events or circumstances that occur after the date of this Filing Statement or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.

INFORMATION CONTAINED IN THIS FILING STATEMENT

The information contained in this Filing Statement is given as at May 26, 2020, except where otherwise noted.

No Person has been authorized to give any information or to make any representation in connection with the Qualifying Transaction and other matters described herein other than those contained in this Filing Statement and, if given or made, any such information or representation should be considered not to have been authorized by ADL or Real and should not be relied upon.

The information concerning each party contained in this Filing Statement has been provided by management of that party. Although the parties have no specific knowledge that would indicate that any of such information regarding the other party is untrue or incomplete, the parties assume no responsibility for the accuracy or completeness of information or the failure by the other party to disclose events which may have occurred or may affect the completeness or accuracy of such information which are unknown to that party.

This Filing Statement does not constitute the solicitation of an offer to purchase any securities or the solicitation of a proxy by any Person in any jurisdiction.

Information contained in this Filing Statement should not be construed as legal, tax or financial advice and readers are urged to consult their own professional advisers in connection therewith.

All dollar amounts in this Filing Statement are expressed in Canadian dollars, unless otherwise indicated.

All financial information in this Filing Statement has been prepared in accordance with IFRS. The financial year end for ADL is December 31 and for Real is December 31.

Words importing the singular, where the context requires, include the plural and vice versa and words importing any gender include all genders.

PART I - SUMMARY OF FILING STATEMENT

The following is a summary of information relating to ADL, Real and the Resulting Issuer (assuming Completion of the Qualifying Transaction) and should be read together with the more detailed information and financial data and statements contained elsewhere in this Filing Statement.

This Filing Statement is prepared in accordance with the CPC Policy in connection with ADL's Qualifying Transaction.

Parties to the Transaction

ADL Ventures Inc.

ADL was incorporated under the BCBCA on February 27, 2018 and has been extra-provincially registered in Ontario on March 12, 2018. The Company is listed as a capital pool company on the TSXV. The ADL Common Shares were listed for trading on the Exchange on June 28, 2018 under the symbol "AVI.P". In accordance with CPC Policy, ADL's principal business has been to identify and evaluate assets or businesses with a view to consummating a "qualifying transaction" subject to acceptance by the Exchange.

In connection with the Transaction, the Company executed the Letter of Intent with Real on August 13, 2019.

See PART II - INFORMATION CONCERNING ADL.

Real Technology Broker Ltd.

Real Technology Broker Ltd. ("Real") was incorporated as Realtyka Tech Ltd. on June 29, 2014 pursuant to the laws of Israel. On August 27, 2015, it changed its name to Real Technology Broker Ltd.

Real and its subsidiaries operate a multi-state, technology-powered residential real estate brokerage. Through its network of over 1000 affiliated agents, Real assists home buyers, sellers and renters with closing real estate transactions and collects a real estate commission for the services rendered. Real's multi-state real estate brokerage platform offers real estate agents a better experience and features designed to maximize their earnings.

See PART III - INFORMATION CONCERNING REAL.

The Qualifying Transaction

On August 13, 2019, ADL entered into the Letter of Intent with Real, which provides for the acquisition by ADL of all of the issued and outstanding securities of Real in exchange for: (a) the issuance to Real Shareholders of ADL Common Shares on the basis of 1.0083 ADL Common Share for each Real Common Share (including Real Common Shares to be issued upon the conversion of Real Preferred Shares on a one-for-one basis immediately prior to the closing of the Transaction); and (b) convertible securities of ADL in exchange for outstanding convertible securities of Real, with appropriate adjustments.

On March 5, 2020, ADL, Real and the Real Shareholders entered into the Transaction Agreement. A copy of the Transaction Agreement is available on SEDAR at www.sedar.com.

The Transaction Agreement incorporates the principal terms for the Transaction (as specified in the Letter of Intent) and provides the basis upon which the parties will effect the Transaction in compliance with the Exchange Requirements.

Resulting Issuer

Following Closing, the Resulting Issuer will be named "Real Technology Brokerage Inc." and will carry on the business of Real.

It is expected that the Resulting Issuer will meet the public distribution requirements of a Tier 1 issuer as set out in the Initial Listing Requirements.

See Part III - "*Information Concerning Real - General Development of the Business*" and Part IV - "*Information Concerning the Resulting Issuer*".

Interests of Insiders, Promoters and Control Persons

Except as otherwise stated herein, no Insider, Promoter or Control Person of ADL or any of their respective Associates and Affiliates (before and after giving effect to the Qualifying Transaction) has any interest in the Qualifying Transaction.

See Part IV - "*Information Concerning the Resulting Issuer - Principal Securityholders*".

Arm's Length Qualifying Transaction

The Transaction is an Arm's Length Qualifying Transaction.

Available Funds and Principal Purposes

The following table sets forth the funds anticipated to be available to the Resulting Issuer on a consolidated basis after giving effect to the Qualifying Transaction:

Source of Funds	Amount of Funds (CAD)
Estimated working capital of Real as at March 31, 2020	$180,000
Estimated working capital of ADL as at March 31, 2020	$450,000
Net proceeds from the ADL Private Placement	$2,200,000(1)
Projected gross profit of Real for 18 months following completion of the Qualifying Transaction	$7,002,820(2)
Total Estimated Funds Available	$9,832,820

(1) Assuming completion of the ADL Private Placement of approximately CDN $2,200,000.

(2) Based on management projections.

The following table sets forth the proposed use of the available funds upon completion of the Qualifying Transaction:

Use of Available Funds	Amount of Funds (CAD)
Research and Development	$1,980,750
Sales and Marketing	$2,310,180
General and Administrative	$3,384,650
Estimated costs incidental to the Qualifying Transaction	$350,000
Unallocated funds	$1,807,240
Total	$9,832,820(1)

(1) Real and ADL anticipate that these funds will be sufficient for these uses for an 18 month period following the date of completion of the Qualifying Transaction.

The above sources and uses of funds are estimates only. Notwithstanding the proposed uses of available funds as discussed above, there may be circumstances where, for sound business reasons, a reallocation of funds may be necessary. It is difficult at this time to definitively project the total funds necessary to execute the planned undertakings of the Resulting Issuer. For these reasons, management considers it to be in the best interests of the Resulting Issuer and its shareholders to permit management a reasonable degree of flexibility as to how the Resulting Issuer's funds are employed among the above uses or for other purposes, as the need may arise.

For further details, see Part IV - "*Information Concerning the Resulting Issuer - Available Funds and Principal Purposes*" and Appendix "E" - "*Pro Forma Financial Statements of the Resulting Issuer*".

Selected *Pro Forma* Balance Sheet Information

The following table sets forth certain *pro forma* financial information of the Resulting Issuer after giving effect to the Transaction. Such unaudited *pro forma* balance sheet information is based on certain assumptions and adjustments and are not necessarily indicative of the Resulting Issuer's consolidated financial position if the events reflected therein were in effect for the periods presented, nor do they purport to project the Resulting Issuer's financial position or results from operations for any future period:

Balance Sheet	Pro Forma as at December 31, 2019 after giving effect to the Transaction ($USD)
Current Assets	2,509,000
Long-Term Assets	213,000
Current Liabilities	577,000
Shareholders' Equity	1,873,000

Market for Securities

The ADL Common Shares are listed on the TSXV under the trading symbol "AVI.P". As at the date of this Filing Statement, none of the Real Common Shares are listed or quoted on any stock exchange in Canada, the United States or internationally.

Sponsorship

The Exchange has granted ADL's request for an exemption from the sponsorship requirements of Policy 2.2. See Part V - "*General Matters - Sponsorship and Agent Relationship*".

Interests of Experts

There is no interest, direct or indirect, in any securities or property of ADL, Real or the Resulting Issuer, or of an Associate or Affiliate of ADL, Real or the Resulting Issuer, received or to be received by an expert.

For the purposes hereof, "expert" means any person or company whose profession or business gives authority to a statement made by that person or company and who is named as having prepared or certified a part of this Filing Statement, or prepared or certified a report or valuation described or included in this Filing Statement.

See Part V - "*General Matters - Interests of Experts*".

Conflicts of Interest

Certain of the individuals proposed for appointment as directors or officers of the Resulting Issuer upon Completion of the Qualifying Transaction are also directors, officers and/or Promoters of other reporting and non-reporting issuers.

Accordingly, conflicts of interest may arise which could influence these persons in evaluating possible acquisitions or in generally acting on behalf of the Resulting Issuer, notwithstanding that they will be bound by the provisions of the BCBCA to act at all times in good faith in the interests of the Resulting Issuer and to disclose such conflicts to the Resulting Issuer if and when they arise. To the best of their respective knowledge, neither ADL nor Real is aware of the existence of any conflicts of interest between ADL or Real and any of the individuals proposed for appointment as directors or officers of the Resulting Issuer upon Completion of the Qualifying Transaction, as of the date of this Filing Statement.

Risk Factors

Real's business is subject to numerous risks and uncertainties, including those highlighted in the section titled Part VI - "*Risk Factors*". These risks include, but are not limited to, the following:

- Regulatory approval of the Qualifying Transaction may not be obtained;
- The Transaction Agreement may be terminated;
- The requirements of being a public company may strain the Resulting Issuer's resources, divert management's attention and affect its ability to attract and retain executive management and qualified board members;
- Real's financial performance is closely connected to the strength of the residential real estate market;
- Real may be unable to maintain its agent growth rate;
- Real may be unable to effectively manage rapid growth in its business;
- Real faces significant risk to its brand and revenue if it fails to maintain compliance with applicable laws or the regulations of private associations and governing boards;
- Unanticipated delays or problems associated with Real's products and improvements may cause customer dissatisfaction;
- Real may need to develop new products and services and rapid technological change could render its systems obsolete;
- Real's commercial and financial success depends on market acceptance, and, if not achieved will result in Real not being able to generate revenue to support its operations;
- If agents and brokers do not understand Real's value proposition, Real may not be able to attract, retain and incentivize agents and brokers;
- Real's operating results are subject to seasonality and vary significantly among quarters;
- Real may require additional capital to support its operations or growth, and, it cannot be certain that this capital will be available on reasonable terms when required, or at all;
- Real's growth strategy may not achieve the anticipated results;
- Real faces substantial competition in the future and may not be able to keep pace with rapid technological changes;
- Real depends on highly skilled personnel to grow and operate its business and if it is not able to hire, retain and motivate its key personnel, its business may be adversely affected;
- Internal control over financial reporting may not prevent or detect misstatements, and projections of any evaluation of effectiveness to future periods may be subject to changes in conditions or deterioration in compliance with procedures;
- Risks related to Israel's investment laws and tax laws;

- Possible failure to realize anticipated benefits of future acquisitions;
- There is inherent technology and development risk in Real's business and industry;
- Real maintains data on cloud storage servers, which could be the subject of a security breach;
- Currency exchange rate fluctuations could adversely affect Real's operating results;
- Downturns in general economic and market conditions may reduce demand for Real's products;
- Emerging market risks;
- Catastrophic events and economic, political and market conditions may impact Real's business;
- Conditions in Israel may affect Real's business, results of operations and financial condition;
- Real's intellectual property rights are valuable and any failure or inability to protect them could adversely affect its business;
- Assertions by third parties of infringement or other violations of Real's intellectual property could result in significant costs and substantially harm Real's business and operating results;
- Intellectual property claims are expensive and time consuming to defend and, if resolved adversely, could have a significant impact on Real's business, financial condition and operating results;
- If Real is unable to protect the confidentiality of its proprietary information and know-how, the value of its technology and products could be adversely affected;
- Adverse litigation judgments or settlements resulting from legal proceedings in the normal course of business could reduce Real's profits or limit its ability to operate;
- There has been no prior public market for the Resulting Issuer Common Shares, and an active trading market may not develop;
- Risks related to a takeover of the Resulting Issuer;
- It may be difficult to enforce civil liabilities under Canadian securities laws;
- Significant sales of Resulting Issuer Shares after the expiry of lock-up or escrow restrictions could adversely affect the market price of Resulting Issuer Shares;
- The Resulting Issuer will not have any control over the research and reports that securities or industry analysts publish about the Resulting Issuer or its business;

Conditional Approval for Qualifying Transaction

The Exchange has conditionally accepted ADL's Qualifying Transaction subject to ADL fulfilling all of the requirements of the Exchange on or before August 11, 2020.

PART II - INFORMATION CONCERNING ADL

Corporate Structure

Name and Incorporation

ADL Ventures Inc. was incorporated on February 27, 2018 pursuant to the BCBCA and has been extra-provincially registered in Ontario on March 12, 2018.

ADL's head office is located at 175 Bloor Street East, North Tower Suite 901, Toronto, Ontario M4W 3R8. The registered office of ADL is located at 1700 - 666 Burrard Street, Vancouver, British Columbia V6C 2X8.

General Development of the Business

History

ADL is a "capital pool company" under the CPC Policy. ADL has not conducted business of any kind since incorporation other than the business of identifying and evaluating properties or businesses with a view of completing a "qualifying transaction" in accordance with the CPC Policy. The Transaction shall constitute ADL's Qualifying Transaction and accordingly, the business of the Resulting Issuer after giving effect to the Completion of the Qualifying Transaction will consist of the business of Real. See PART III - "Information Concerning Real - General Development of the Business" and PART IV -"Information Concerning the Resulting Issuer - Narrative Description of the Business".

Selected Financial Information and Management's Discussion and Analysis

The following information has been derived from and should be read in conjunction with the financial statements and management's discussion and analysis attached to this Filing Statement as Appendix "A" - *Financial Statements of ADL*, and Appendix "B" - *Management's Discussion and Analysis of ADL*.

Total Expenses

Below is a summary of the total expenses for the most recently completed financial year. There have been no amounts deferred in connection with the Transaction.

Year ended	Total Expenses
December 31, 2019	$83,274

Management's Discussion & Analysis

See Appendix "B" - *Management's Discussion and Analysis of ADL* for the management's discussion and analysis of ADL for the year ended December 31, 2019.

Description of the Securities

ADL is authorized to issue an unlimited number of common shares without nominal or par value of which 9,100,000 ADL Common Shares are currently issued and outstanding. The following table sets forth the capitalization of ADL as at December 31, 2019:

Capital	Authorized	Outstanding as at December 31, 2019
Common Shares	Unlimited	9,100,000

Stock Option Plan

The ADL Option Plan originally received approval from the Board on April 18, 2018. Under the ADL Option Plan, the Board is authorized to grant incentive stock options to certain directors, senior officers, employees and consultants of the ADL entitling them to purchase ADL Common Shares. The purpose of the ADL Option Plan is to attract and retain employees, consultants, officers or directors of ADL and to motivate them to advance the interests of ADL by affording them with the opportunity to acquire an equity interest in ADL through options granted under the ADL Option Plan to purchase shares. There are currently 900,000 options outstanding under the ADL Option Plan each of which is exercisable into an ADL Common Share at an exercise price of $0.10 until June 25 , 2028.

The Compensation Committee periodically reviews (such review to be performed at least annually) the status of ADL's equity incentive plans and is responsible for providing any proposals and recommendations to the Board concerning the setting and amendment of any equity incentive plan and individual grants, such as stock option grants, under any equity incentive plan. When proposing new stock option grants to directors, officers and consultants, the Compensation Committee takes into consideration previous grants made as well as the number of shares reserved for issuance under the ADL Option Plan.

ADL Compensation Options

On June 1, 2018, ADL issued to PI Financial Corp., as partial compensation for acting as agent to ADL on ADL's initial public offering, 300,000 irrevocable and non-transferable options to purchase ADL Common Shares, exercisable at a price of $0.10 per Common Share until June 28, 2020 (the "ADL Compensation Options").

ADL Private Placement

In connection with the Transaction, ADL will complete a private placement ("**ADL Private Placement**") of 20,758,170 subscription receipts ("**ADL Subscription Receipts**") at an issue price of US$0.0765 per ADL Subscription Receipt for aggregate gross proceeds of up to US$1,600,000. Each ADL Subscription Receipt is automatically exercisable, for no additional consideration, into one ADL Common Share (each an "**Underlying Share**") upon satisfaction of the Escrow Release Conditions (as herein defined).

The gross proceeds of the ADL Private Placement shall be deposited into an interest-bearing escrow account (the "**Escrowed Funds**") through an escrow agent (the "**Subscription Receipt Agent**") mutually acceptable to ADL and Real. The Escrowed Funds will be released from escrow to ADL upon satisfaction of all of the following conditions (collectively, the "**Escrow Release Conditions**"):

a) the completion, satisfaction or waiver of all conditions precedent to the Transaction other than the release of the Escrowed Funds;

b) the receipt of all shareholder and regulatory approvals required for the Transaction;

c) written confirmation from each of ADL and Real that all conditions of the Transaction have been satisfied or waived, other than release of the Escrowed Funds, and that the Transaction shall be completed forthwith upon release of the Escrowed Funds;

d) the distribution of the ADL Common Shares issuable upon exercise of the Underlying Shares being exempt from applicable prospectus and registration requirements of applicable securities laws;

e) the Underlying Shares being conditionally approved for listing on the Exchange and the completion, satisfaction or waiver of all conditions precedent to such listing, other than the release of the Escrow Funds; and

f) ADL and Real shall have delivered a release notice to the Subscription Receipt Agent.

The date on which the Escrow Release Conditions are satisfied is hereinafter referred to as the "**Escrow Release Date**". In the event that the Escrow Release Date does not occur prior the date which is one hundred and twenty (120) days following the Closing (the "**Escrow Deadline**"), ADL shall refund the Escrowed Funds without penalty or deduction to the subscribers to the ADL Private Placement provided, however, that ADL shall have the right to extend the Escrow Deadline by up to 60 days upon receipt of written consent of holders of not less than 50% of the then outstanding Subscription Receipts. Furthermore, in the event that the Escrow Release Date does not occur prior to the Escrow Deadline and ADL elects either not to extend the Escrow Deadline by seeking the necessary approval of holders of Subscription Receipts as referred to above, or is unsuccessful in obtaining the necessary approval of holders of Subscription Receipts to extend the Escrow Deadline, it would be ADL's responsibility to contribute such amounts to return in full the aggregate issue price paid for the then issued and outstanding Subscription Receipts.

Prior Sales

Since the date of incorporation to the date of this Filing Statement, ADL Common Shares have been issued as follows:

Date	Number of Shares	Issue Price Per Share	Gross Aggregate Issue Price	Consideration Received
June 25, 2018	3,000,000	$0.10	$300,000	Cash
February 27, 2018	6,000,000	$0.05	$300,000	Cash
April 18, 2018	100,000	$0.05	$5,000	Cash
Total	**9,100,000**	-	**$605,000**	-

Stock Exchange Price

The following table sets out the trading price and volume of the ADL Common Shares on the Exchange since the date of initial listing for the periods indicated.

	Price Range of Shares(1)		
	High($)	Low($)	Volume(#)
Month ended April 30, 2020	0.075	0.075	0
Month ended March 31, 2020	0.075	0.075	0
Month ended February 29, 2020	0.075	0.075	0
Month ended January 31, 2020	0.075	0.075	0
Month ended December 31, 2019	0.075	0.075	0
Month ended November 30, 2019	0.075	0.075	0
Month ended October 31, 2019	0.075	0.075	0
Quarter ended September 30, 2019	0.085	0.075	40,000
Quarter ended June 30, 2019	0.080	0.085	45,000
Quarter ended March 31, 2019	0.180	0.075	23,500
Quarter ended December 31, 2018	0.180	0.100	123,000
Quarter ended September 30, 2018	0.150	0.115	30,000
Quarter ended June 30, 2018	n/a	n/a	n/a
Quarter ended March 31, 2018	n/a	n/a	n/a

Notes:

(1) Trading of ADL Common Shares on the Exchange was halted on August 13, 2019, pending the announcement of the Qualifying Transaction. Trading in the ADL Common Shares is expected to be reinstated following Completion of the Qualifying Transaction.

Arm's Length Transaction

The Qualifying Transaction is not a Non-Arm's Length Qualifying Transaction. As a result, no meeting of ADL Shareholders is required as a condition to complete the Transaction.

Legal Proceedings

ADL is neither a party to, nor is any of its property the subject matter of, any legal proceedings, nor are any such proceedings known to ADL to be contemplated by any party.

Auditor, Transfer Agent and Registrar

The independent auditors of ADL is Smythe LLP, 1700 - 475 Howe Street, Vancouver, British Columbia, Canada V6C 2B3. Smythe LLP is independent of ADL, in accordance with the Code of Professional Conduct of the Chartered Professional Accountants of British Columbia.

The transfer agent and registrar of ADL is Computershare Investor Services Inc., 510 Burrard Street, 3rd Floor, Vancouver, British Columbia, V6C 3B9.

Material Contracts

ADL has not entered into any material contracts, outside of the ordinary course of business, prior to the date hereof, other than:

(a) the Letter of Intent;
(b) the Transaction Agreement; and
(c) the agency agreement dated June 1, 2018, between ADL and PI Financial Corp., as described in the ADL CPC Prospectus.

PART III - INFORMATION CONCERNING REAL

Corporate Structure

Name and Incorporation

Real Technology Broker Ltd. ("**Real**") was incorporated as Realtyka Tech Ltd. on June 29, 2014 pursuant to the laws of Israel. On August 27, 2015, Real changed its name to Real Technology Broker Ltd.

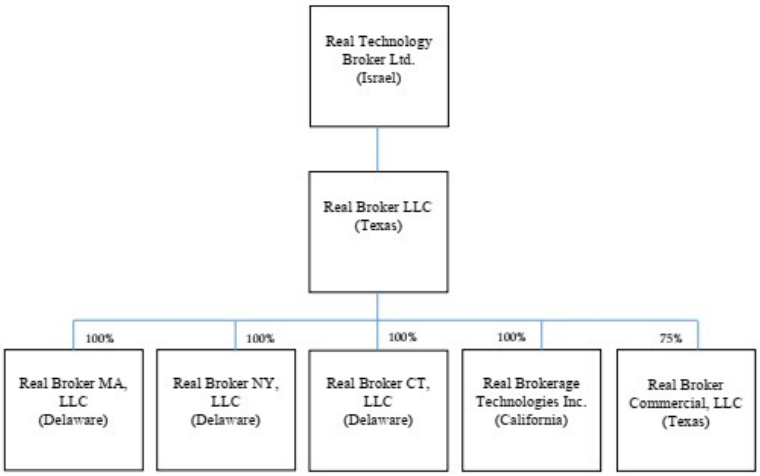
Real's registered office is located at 89 Medinat Hayehudim, Herzliya, Israel 4676672.

Intercorporate Relationships

Real is the parent company of Real Broker LLC ("**Real LLC**"), a Texas limited liability company. Real LLC holds real estate brokerage licenses in approximately 17 states in the United States and directly conducts most of Real's operations. Real LLC is the parent company of the following subsidiaries (together with Real LLC, the "**Real Subsidiaries**"):

- Real Broker MA, LLC (Delaware limited liability company) (100% owned) - This entity was originally established to obtain a real estate brokerage license in the state of Massachusetts. It engages in residential real estate brokerage operations.
- Real Broker Commercial LLC (Texas limited liability company) (75% owned) - This entity was established to engage in commercial real estate brokerage activities. It holds real estate brokerage licenses in several states, including Texas, New York and New Jersey.
- Real Broker NY, LLC (Delaware limited liability company) (100% owned) - This entity was originally established to obtain a real estate brokerage license in the state of New York. It engages in residential real estate brokerage operations.
- Real Broker CT, LLC (Delaware limited liability company) (100% owned) - This entity was originally established to obtain a real estate brokerage in the state of Connecticut. It engages in residential real estate brokerage operations.
- Real Brokerage Technologies Inc. (California corporation) (100% owned) - This entity was originally established to obtain a real estate brokerage in the state of California. It engages in residential real estate brokerage operations.

The following is an organizational chart of REAL:



General Development of the Business

Overview & History

Real is a technology-powered real estate brokerage. Real's mission is to always find ways to make real estate agents' lives better.

Real has built a multi-state real estate brokerage platform that offers real estate agents a better experience and features designed to maximize their earnings.

Real and its subsidiaries operate a multi-state, technology-powered residential real estate brokerage. Through its network of over 1000 affiliated agents, Real assists home buyers, sellers and renters with closing real estate transactions and collects a real estate commission for the services rendered.

The total commission revenue generated yearly by real estate brokerages in the US is estimated at over $70B. In 2018, 5.34M existing homes and 667,000 new construction homes were sold in the US (https://www.nar.realtor/research-and-statistics/quick-real-estate-statistics) and it is estimated that approximately 90% of home buyers and sellers are assisted by a real estate agent.

Real estate agents provide consumers with valuable knowledge, expertise, assistance and value throughout the home buying, selling and leasing process. State regulation requires real estate agents in the US to affiliate their licenses with a single broker or a brokerage for compliance and oversight.

Real is built on the belief that an individual agent's service and expertise most directly impacts a consumer's experience and that the brokerage's brand is, in most cases, irrelevant in the consumer's process of choosing an agent. This belief is fundamental to Real's agent value proposition. Real is committed to offering its real estate agents across all markets, a better brokerage service for less. Through software product development and significant investment in process automation and technology infrastructure, Real has demonstrated that it is successful at building a brokerage that provides unique value to agents and a sustainable operational model.

Real develops technology that automates back office operations of a real estate brokerage, replacing the need for brick-and-mortar offices and cutting staff overhead. Real also develops and integrates technology that agents use with consumers. The back-office automation enables Real to provide agents with a higher commission split than industry norms. In addition, the consumer-facing tools focus on the agent's brand and assists agents to be more productive and help them serve their consumers better.

Real estate agents are typically contract-employees. In addition to offering agents a platform to build their real estate business, Real offer agents the opportunity to build passive revenue streams through revenue-sharing and equity building programs. These programs enable agents to build a nest egg that would not otherwise be available to them.

Traditionally, real estate brokerages relied heavily on brick-and-mortar locations to distribute their services to their agents and for engaging with potential and existing clients. They also exclusively possessed and controlled valuable information that was not publicly available or was difficult to obtain by the average consumer.

The internet and technology made information publicly accessible and enabled consumers and agents to communicate directly, from anywhere, in a faster and more efficient way. Alongside those fundamental changes, another pattern emerged - the value of the brokerage's brand became less and less significant for consumers and the personal branding of the individual agent became more valuable as a decision criteria for consumers.

Unlike most real estate brokerages, we are focused on serving our agents rather than building a consumer brand as data shows that consumer choice of agent is rarely dependent on the agent's brokerage affiliation.

Real is committed to offering its real estate agents across all markets a better brokerage service, for less.

Through software product development and significant investment in process automation and technology infrastructure, Real has demonstrated that it is successful at building a brokerage that provides unique value to agents and a sustainable operational model.

Real's vision is based on a strong belief that real estate agents are a crucial component in the home buying and selling process and that individual agents deliver unparalleled value to consumers. As the single largest financial transaction in most people's lives, this transaction is a complicated journey that requires the assistance and support of an expert, who possesses the knowledge, experience and interpersonal skills to guide, advice and support throughout the process and bring the transaction to a successful and satisfactory closing. Real's value proposition to agents is better splits, flexibility, tools and support enabled by our use of technology and process automation, plus the ability to build a passive income stream and an equity position in Real.

Significant Acquisitions and Dispositions

Real has not completed any significant acquisitions or dispositions.

Narrative Description of the Business

Operations

Real launched its operations in the middle of 2014 in Texas. Real grew its presence to additional states, adding more agents and ended the fiscal year 2018 with a team of over 1000 real estate professionals, operating in 19 states (and the District of Columbia) of the United States. All of Real's real estate professionals are independent contractors.

Real uses its proprietary mobile app, as well as other technology platforms to distribute its services. Real's main website, used to recruit agents and teams is www.joinreal.com. Real does not maintain physical locations (unless required by state laws), and it delivers support, training, transaction management, marketing and other services to its agents and brokers through a combination of proprietary technology and integration with third party tools.

Real believes that the future of the real estate brokerage industry relies upon brokerages adjusting their operations to cope with lower margins and to operate extremely efficiently. Real has built and integrated software tools that allow it to support a large number of agents and process a large volume of transactions, at a lower overhead compared to other brokerages. The technology and automated processes, plus the savings from not operating brick-and mortar locations, positions Real as a resilient company that will compete against other brokerages that operate with high overhead, inefficient cost structures and shaky business models.

Real operates over the internet, through a proprietary mobile application provided to its agents, through its website (www.joinreal.com), and agents' personal websites, to provide real estate brokerage services. Home buyers can use Real's website (and its agents' personal websites) to search real time property listings across geographies that Real serves. Sellers can use Real's websites to find an agent for the purpose of listing their homes. Home buyers and sellers have access to a large network of real estate agents, brokers and teams affiliated with Real. Those real estate professionals leverage the services and technology provided by Real to serve and represent home buyers and sellers and bring real estate transactions to a successful close.

Real's Opportunity

Traditional brick-and-mortar based real estate brokerages dominate over 95% of the market. However, this traditional business model has not dramatically changed for decades as brokerages were reluctant to implement changes and strived to maintain the status quo. While consumers are impacted by innovation in various industries, real estate has been slow to adopt new technologies. Consumer demand for better service, increasing competition over agents, and the high overhead costs of the traditional brokerage operational model, make traditional brokerage companies vulnerable and creates an opportunity for new players that are able to leverage technology to take over market share in this $70B industry.

Real is positioned to offer an alternative to traditional real estate brokerages.

Real believes the following trends are impacting the real estate brokerage industry which position Real to continue to grow its business:

- Democratization and availability of information - Traditionally, real estate brokerages relied heavily on brick-and-mortar locations to attract clients with listing information that was difficult to obtain otherwise. The internet and database technology made listing information publicly available through well-known listing search sites such as Zillow, thereby eliminating a consumer's need to visit street-front brokerages to discover homes for sale.

- Mobile technology - Traditional brick-and-mortar real estate brokerages also provided dedicated physical offices where agents and clients met and signed purchase agreements, closing documents and related paperwork. Mobile technology has since enabled consumers and agents to communicate directly and sign documents from anywhere, faster and more efficiently, thereby eliminating the need for a physical brokerage office.

- Desire for freedom and flexibility - Although agents are mainly independent contractors, traditional brokerages often require that agents perform unpaid "floor time" at the office and attend in-office meetings. So-called "desk fees" are also common. As the need for physical space diminishes, agents with their own book of business increasingly desired the flexibility to work their own hours, wherever suits them best, yet traditional brokerages often don't have the culture or the tools needed to fully support remote work.

- Consumer pressure on real estate commissions - In US home sales, sellers traditionally paid a 6% commission which was divided between the buyer's and the seller's managing broker and then further split among the agents involved in the sale. Buyers, who increasing research and find their homes online, still want an agent to help them open doors, write contracts and connect them to resources and the community.

And sellers still want agents to prepare and price listings, attract buyers, write contracts coordinate a transaction to its closing. However, service commissions are dropping across industries and sellers increasingly expect to pay less than the traditional 6% commission. To support lower costs for consumers while keeping agents net pay sustainable, brokers need to reduce their portion of the split without dropping service levels.

- Younger generations of agents - According to Pew Research, millennials are expected to surpass baby boomers as the largest living generational group in the US in 2019. Millennials already comprise the largest segment of home buyers in the US. Millennials entering their real estate careers expect their brokerage to provide and use effective mobile technology and to allow the agents the freedom to express their personal brand in social media.

- Virtual communities - Much of the knowledge exchange and camaraderie that used to take place in the office now takes place in online communities, minus office politics and without geographical limits.

In summary, the business model and services provided by traditional brick-and-mortar brokerages is declining, thereby creating an opportunity for a new approach that takes advantage of these trends.

Industry Overview

The real estate brokerage industry is closely aligned with the health of the residential real estate market. According to the Federal Housing Finance Agency in the US, house prices in the US have risen for 32 consecutive quarters across the US and rose in all 100 of the largest metropolitan areas in the US over the last four quarters (https://www.fhfa.gov/AboutUs/Reports/Pages/US-House-Price-Index-Report-2019Q2.aspx). In 2019 to date, prices and transaction volumes remain strong, boosted by low mortgage rates and a strong labour market, thereby heightening demand for real estate brokerage services.

While the overall real estate market is strong, some traditional brokerage industry leaders are in trouble. Reology is the largest residential real estate company in the US with franchise brands including Better Homes and Gardens Real Estate, Coldwell Banker, Corcoran, Century 21, Sotheby's International Realty, ERA, Citi Habitats, Climb Real Estate and ZipRealty. Reology's stock price has plunged from a high near $50 a share to an August 2019 low below $5 per share.

New business models and competition, extensive use of technology, and changing consumer expectations are reworking the industry. Real believes the most nimble real estate brokerages will win away customers, agents and investors to gain market share.

Among the new brokerages are national brick-and-mortar brokerages that use investment dollars to offer agents expensive signing packages to gain market share, and brokerages that generate leads hire in-house agents as staff rather than as commissioned contractors, enabling them to increase per agent transaction volumes. Real does not believe either of these models serve the long-term interests of consumers or investors best. Instead of purchasing market share or squeezing agent revenue, Real seeks to compete for market share based on providing a higher value, lower cost offer to agents.

Another industry dynamic is the emergence of "instant buyers" (iBuyers) such as Zillow Offers and Opendoor. iBuyers use industry data to make instant offers on listings in some markets, then seek to resell or "flip" the homes they buy for a profit. iBuyers provide sellers speed and certainty in exchange for a sales price that's lower on average than the market rate. iBuyers use agents to close the original transaction and the resale transaction, and we don't anticipate the iBuyer trend substantially affecting the demand for real estate brokerage services.

Product

Real has developed, integrated and adopted various mobile and desktop focused technologies to create a comprehensive offering to its agents and to assist Real with its brokerage operations. The implementation and utilization of technology enables Real to operate multi-state operations, quickly expand to additional markets and serve its agents more efficiently. These factors disrupt the market and minimize the need for traditional brick-and- mortar locations. Real's technology product offering is focused on the following segments and includes the following features:

- Productivity - Customer Relationship Management platform, broker support, technical support, interactive training, education platform (https://www.real.academy/), transaction management platform, transaction support, documents library, contract templates, paperless file sharing, virtual signature tools, business dashboard and weekly educational webinars and conference calls.

- Marketing - Each agent joining Real receives a personal branded mobile app, personal branded website, access to Real's print portal enabling ordering of business cards, yard signs and other marketing materials, designer assistance, access to marketing webinars focused on lead generation and personal marketing. Real also offers its agents buyer and seller leads through a cooperation with Opcity.

- Community - Real's agents have access to Real's app-based community which enhances the sense of agent belonging, creates synergy and collaboration in local markets and propels information sharing. Real's community is designed as a feed and contains posts from agents across the country as well as from Real's staff. Real's agents use the community to socialize, celebrate success, ask questions, cooperate, market properties, exchange leads, transact business with colleagues, general information sharing and get updated in various company announcements.

- Brokerage Operations - A key component in building a sustainable brokerage is the ability to operate extremely efficiently to ensure a competitive advantage. Over the years, Real has invested substantial resources in building proprietary software and implementing automation and technology that assists it in serving agents, processing transactions, overseeing agents' activity, measuring Real's performance, facilitating contract reviews, providing fast payments to agents, streamlining communications and eliminating redundant staffing costs.

Business Model

Real believes that its agents' success is its success. Therefore, Real's business model is tied to its agents' revenue. Apart from a small number of legacy arrangements, Real does not generally charge monthly fees and uses a commission split revenue model with its agents.

Operating a non-brick-and-mortar multi state brokerage operation, allows Real to offer its agents, teams and brokers a higher split of the gross commissions generated from real estate transactions compared to traditional real estate brokerages. The extensive use of software to automate Real's brokerage operations enable Real to operate efficiently. Real leverages this efficiency to offer attractive business terms to its agents. Real's high commission splits are one of the attractive attributes of Real's product and service offerings and one of the drivers of Real's growth.

The efficiency of Real's technology helps Real to provide excellent, timely and highly professional support to its agents without the need to employ a large number of employees and bear the overhead associated with such magnitude of an operation.

Real believes that: (a) the attractive commission split that Real offers; (b) the freedom and flexibility provided to its agents to run their business the way they want to; and (c) the excellent delivery of services to its agents have contributed to Real's growth in recent years.

Markets

To date, Real has only operated in the United States. Real currently operates in the following states: New York, New Jersey, North Carolina, South Carolina, Texas, Georgia, Florida, Washington, Virginia, Pennsylvania, California, Colorado, Connecticut, Illinois, Louisiana, Massachusetts, Maryland, Missouri, Rhode Island and Tennessee as well as the District of Columbia.

Real is planning to expand to additional markets in the next few years, including most US states and Canada.

Marketing and Growth

Real's market growth strategy is built on a proven method of cost-effective digital agent acquisition:

1. Real's primary agent acquisition method is through digital channels, including search engine marketing (SEM) and search engine optimization (SEM). As of August 2019, Real's digital advertising reached 120 thousand impressions or ad views a month, driving agents to its website where they apply to join Real. SEM and SEO account for over 50% of agents who joined Real in 2019. This channel can scale cost- effectively with additional advertising spending.

2. A second and growing source of agent growth is through revenue-sharing incentivized referrals. Agents who have their license with Real can earn a share of Real's portion of commission revenue for agents they refer into the company. Real believes there is opportunity to rapidly scale and grow its revenue sharing referral acquisitions with new programs in 2020.

3. Real's third largest acquisition channel is organic social media and content partnerships that drive agent traffic to the joinreal.com website. These channels are low cost but labour intensive in terms of providing social media content and developing partnerships and will not likely scale significantly in the short term.

Employee recruiters vet and convert an average of 19 percent of agent applicants who sign independent contractor agreements and transfer their license to Real with their state real estate commissions. The 2019 average cost of acquisition payback using these channels is four months.

In addition, in two markets, Real is testing a direct sales model using employee "regional growth leaders" tasked with developing relationships and hosting local events to attract higher performing agents.

Competition

As a licensed real estate brokerage, Real competes with other local, regional and nationwide brokerages over agents, teams of agents, brokers and consumers. Real believes that its offering is superior to its competition and that its vast technology and software usage enables it to operate in a more efficient way, thus improving its competitive advantage.

Intellectual Property

Real's material owned intellectual property consists of unpatented proprietary technology, processes, trade secrets, and know-how, as well as inherent copyright of authorship in the source code developed by Real, and unregistered trademarks. Real does not have any material licensed intellectual property. While Real's commercial success generally depends on its ability to maintain the confidentiality of its proprietary technology, processes, trade secrets, and know-how, it is not substantially dependent on any specific and identifiable intellectual property.

To protect its intellectual property, Real relies on a combination of trade secret, copyright, trademark, passing-off laws, and other statutory and common law protections in Israel, the United States, and international markets. Real also protects its intellectual property through the use of non-disclosure agreements and other contracts, disclosure and invention assignment agreements, confidentiality procedures, and technical measures. Much of the technology used by Real and its competitors is unprotected by intellectual property registrations, and Real does not have any registrations in respect of its material owned intellectual property.

"Join Real" is one of Real's registered trademarks in the United States. Real also owns the rights to the following domain names: www.joinreal.com, poweredbyreal.com, mlsreal.com, findmeagents.com, findmeagent.com, joinreal.info, real.academy, realtyka.com, realbroker.io, realbrokerllc.com, realapis.com, homesbyreal.com and realbrokercommercial.com.

If necessary, Real will aggressively assert its rights under trade secret, unfair competition, trademark and copyright laws to protect its intellectual property, including product design, product research and concepts and registered trademarks. These rights are protected through the acquisition of patents and trademark registrations, the maintenance of trade secrets, the development of trade dress, and, where appropriate, litigation against those who are, in Real's opinion, infringing these rights.

While there can be no assurance that registered trademarks will protect our proprietary information, Real intends to assert its intellectual property rights against any infringement. Although any assertion of Real's rights could result in a substantial cost and diversion of management effort, Real believes the protection and defense against infringement of our intellectual property rights are essential to its business.

Government Regulation

Real serves the residential real estate industry which is regulated by federal, state and local authorities as well as private associations or state sponsored associations or organizations. Real is required to comply with federal, state, provincial, and local laws, as well as private governing bodies' regulations, which combined results in a highly- regulated industry.

Real is also subject to federal and state regulations relating to employment, contractor, and compensation practices. Except for certain employees who have an active real estate license, virtually all real estate professionals in its brokerage operations have been retained as independent contractors, either directly or indirectly through third-party entities formed by these independent contractors for their business purposes. With respect to these independent contractors, like most brokerage firms, Real is subject to the Internal Revenue Service regulations and applicable state law guidelines regarding independent contractor classification. These regulations and guidelines are subject to judicial and agency interpretation.

Real Estate Regulation - Federal

The Real Estate Settlement Procedures Act of 1974, as amended, ("RESPA") became effective on June 20, 1975. RESPA requires lenders, mortgage brokers, or servicers of home loans to provide borrowers with pertinent and timely disclosures regarding the nature and costs of the real estate settlement process. RESPA also protects borrowers against certain abusive practices, such as kickbacks, and places limitations upon the use of escrow accounts. RESPA also requires detailed disclosures concerning the transfer, sale, or assignment of mortgage servicing, as well as disclosures for mortgage escrow accounts.

The Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank Act") moved authority to administer RESPA from the Department of Housing and Urban Development to the new Consumer Financial Protection Bureau ("CFPB"). At present, leadership at the CFPB is in transition, with a new acting director. The CFPB released a five-year strategic plan in February 2018 indicating that it intends to continue to focus on protecting consumer rights while engaging in rulemaking to address unwarranted regulatory burdens. As a result, the regulatory framework of RESPA applicable to our business may be subject to change. The Dodd-Frank Act also increased regulation of the mortgage industry, including: (i) generally prohibiting lenders from making residential mortgage loans unless a good faith determination is made of a borrower's creditworthiness based on verified and documented information;(ii) requiring the CFPB to enact regulations, to help assure that consumers are provided with timely and understandable information about residential mortgage loans that protect them against unfair, deceptive and abusive practices; and (iii) requiring federal regulators to establish minimum national underwriting guidelines for residential mortgages that lenders will be allowed to securitize without retaining any of the loans' default risk. In addition, federal fair housing laws generally make it illegal to discriminate against protected classes of individuals in housing or brokerage services. Other federal laws and regulations applicable to our business include (i) the Federal Truth in Lending Act of 1969; (ii) the Federal Equal Credit Opportunity; (iii) the Federal Fair Credit Reporting Act; (iv) the Fair Housing Act; (v) the Home Mortgage Disclosure Act; (vi) the Gramm-Leach- Bliley Act; (vii) the Consumer Financial Protection Act; (viii) the Fair and Accurate Credit Transactions Act; and (ix) the Do Not Call/Do Not Fax Act and other state and federal laws pertaining to the privacy rights of consumers, which affects our opportunities to solicit new clients.

Real Estate Regulation - State and Local Level

Real estate and brokerage licensing laws and requirements vary from state to state and city to city. In general, all individuals and entities lawfully conducting businesses as real estate brokers, agents or sales associates performing activities which are licensed under such laws, statutes, rules and regulations must be licensed in the state in which they carry on business and must at all times be in compliance were performed and/or the jurisdiction for which such licensed person or entity received any form of compensation from with respect to such licensed activities. Such licensed activities, include, without limitation, the advertising of the sale, purchase, licensing, managing and leasing of real estate.

States will require a real estate broker to be employed by the brokerage firm or permit an independent contractor classification, and the broker may work for another broker conducting business on behalf of the sponsoring broker.

States may require a person licensed as a real estate broker (who is not a managing broker), agent, sales associate, or salesperson or leasing agent, to be affiliated with a "managing broker" or a licensed brokerage entity in order to engage in licensed real estate brokerage activities or allow the agent, sales associate or salesperson to work for another agent, sales associate or salesperson conducting business on behalf of the sponsoring agent, sales associate or salesperson. Agents, sales associates, or salespersons or leasing agents are generally classified as independent contractors; however, subject to the applicable laws, rules and regulations, real estate firms can also offer employment.

Engaging in the real estate brokerage business requires obtaining a real estate broker license (although in some states the licenses are personal to individual brokers). In order to obtain this license, most jurisdictions require that a broker entity shall have a member, or manager, officer or independent contractorbe licensed individually as a real estate "managing broker" in that jurisdiction. If applicable, this member, or manager, officer or independent contractor is responsible for supervising the licensees and the entity's real estate brokerage activities within the state.

Real estate licensees, whether they are brokers, salespersons, individuals, agents or entities, must follow the state's real estate licensing laws and regulations. These laws and regulations generally specify minimum duties and obligations of these licensees to their clients and the public, as well as standards for the conduct of business, including contract and disclosure requirements, record keeping requirements, requirements for local offices, escrow trust fund management, agency representation, advertising regulations and fair housing requirements.

In each of the states where Real has operations, Real assigns appropriate licensed personnel to manage and comply with applicable laws and regulations.

Most states have local regulations (city or county government) that govern the conduct of the real estate brokerage business. Local regulations generally require additional disclosures by the parties to a real estate transaction or their agents or brokers, or the receipt of reports or certifications, often from the local governmental authority, prior to the closing or settlement of a real estate transaction as well as prescribed review and approval periods for documentation and broker conditions for review and approval.

Third-Party Rules

Beyond federal, state and local governmental regulations, the real estate industry is subject to rules established by private real estate groups and/or trade organizations, including, among others, state Associations of REALTORS® (AOR), and local Associations of REALTORS® (AOR), the National Association of Realtors® (NAR), and local Multiple Listing Services (MLSs). "REALTOR" and "REALTORS" are registered trademarks of the National Association of REALTORS®. Generally, licensed brokers, salespersons, individuals, agents and brokerage entities join these groups and organizations thereby becoming subject to such rules.

Each third-party organization generally has prescribed policies, bylaws, codes of ethics or conduct, and fees and rules governing the actions of members in dealings with other members, clients and the public, as well as how the third-party organization's brand and services may or may not be deployed or displayed.

Real assigns appropriate personnel to manage and comply with third party organization policies and bylaws.

Employees

As of March 31, 2020, Real and its subsidiaries had 8 full-time employees, three independent contractors, 11 contracted state brokers and over 1,000 agents and brokers whom Real also classifies as independent contractors.

Selected Consolidated Financial Information and Management's Discussion and Analysis

Selected Financial Information

The following table sets forth: (i) selected financial information for Real for the years ended December 31, 2019 and December 31, 2018 and should be read in conjunction with Real's audited financial statements and related notes for such periods, copies of which is attached to the Filing Statement as Appendix "C"; and (ii) selected financial information for Real for the nine-months ended September 30, 2019 and should be read in conjunction with Real's financial statements and related notes for such periods, copies of which is attached to the Filing Statement as Appendix "D".

The following information has been prepared in accordance with IFRS and is expressed in U.S. dollars.

Income Statement Data	**Year ended December 31, 2019 ($)**	**Year ended December 31, 2018 ($)**
Total revenues	15,751,000	8,444,000
Net loss from continuing operations	(1,668,000)	(2,373,000)
Net loss and comprehensive loss	(2,251,000)	(2,524,000)
Cash dividends declared	Nil	Nil
Balance Sheet Data	**As at December 31, 2019 ($)**	**As at December 31, 2018 ($)**
Total assets	408,000	1,357,000
Total liabilities	12,348,000	11,534,000
Total equity	(11,940,000)	(10,177,000)

Management's Discussion and Analysis

Real's MD&A for the years ended December 31, 2019 and 2018 is attached hereto as Appendix "D".

The MD&A herein should be read in conjunction with the audited and unaudited financial statements of Real and the notes thereto for the years ended December 31, 2019 and December 31, 2018 attached as Appendix "C" to this Filing Statement.

Description of Securities

General

Real's authorized share capital currently consists of 75,600 New Israeli Shekels ("**NIS**") divided into 123 million ordinary shares, par value NIS 0.0004 per share ("**Real Ordinary Shares**") and 66 million Series A preferred shares, par value NIS 0.0004 each ("**Real Preferred Shares**"), of which 41,838,646 Real Ordinary Shares are issued and outstanding, and 64,921,029 Real Preferred Shares are issued and outstanding, as of the date hereof.

All of the outstanding Real Ordinary Shares and Real Preferred Shares are validly issued, fully paid and non- assessable.

Conversion of Real Preferred Shares into Real Ordinary Shares

Each Real Preferred Share is convertible at the option of the holder of such share into such number of Real Ordinary Shares as is determined by dividing the applicable original issue price for such preferred share by the conversion price at the time in effect for such share. The initial conversion price per each Preferred Share is the original issue price for that share (the "**Conversion Price**"), subject to adjustment for any share combination or subdivision, share split, share dividend, distribution of bonus shares or any other reclassification, reorganization or recapitalization of the Company's share capital. There are no economic anti-dilution adjustments to the Conversion Price.

In addition, the Real Preferred Shares automatically convert into Real Ordinary Shares upon (i) a qualified IPO (an initial public offering in which Real raises net proceeds of at least US$30 million at a pre-money Real valuation of US$150 million) (a "**QIPO**"); or (ii) the written consent to such conversion of the holders of the majority of the issued and outstanding Preferred Shares.

It is expected that written consent of the holders of the majority of the issued and outstanding Preferred Shares will be obtained prior to Closing of the Transaction. In this connection, it is expected that the Real Preferred Shares will convert into Real Ordinary Shares (based on the foregoing consent of holders of Real Preferred Shares) on a one- for-one basis immediately prior to the surrender by Real Shareholders of their Real shares for ADL Common Shares at a rate of 1.0083 ADL Common Share per Real share at the Closing of the Transaction.

Preferred Liquidation and Distribution Preference

In the event of a liquidation or deemed liquidation event for Real, or a distribution by Real, the dividends, assets or proceeds available for distribution or payment to the Real Shareholders are to be distributed among the shareholders according to the following order of preference: (i) the holders of the Real Preferred Shares are entitled to receive, on a pari passu basis, for each Real Preferred Share held by them, prior and in preference to any other securities of the Company, the higher of: (i) an amount equal to the respective original issue price of that preferred share in US$ (in cash, cash equivalents or, if applicable, securities), less any amount previously paid in preference over any other securities of Real prior to the date of that distribution on account of the Preferred Share preference, or (ii) their pro- rata portion of any proceeds in connection thereto, calculated on an as-converted basis (the "**Preferred Preference**"). After payment in full of the Preferred Preference for all Real Preferred Shares, the remaining distributable proceeds available for distribution, if any, are to be distributed pro-rata only Among all of the holders of Real Ordinary Shares, on a pro-rata, pari passu basis, based on the number of Ordinary Shares held by those holders.

All Real Preferred Shares and Real Ordinary Shares will be entitled to receive the same number of ADL Common Shares (1.0083) pursuant to the Transaction (in the case of Real Preferred Shares, following conversion into Real Ordinary Shares on a one-for-one basis immediately prior to the Closing of the Transaction).

Voting Rights

All Real Ordinary Shares have identical voting and other rights in all respects. Real Preferred Shares vote together with the Ordinary Shares, and not as a separate class, in all shareholders meetings, with each Real Preferred Share voting on an as-converted basis. Until the earlier of: (i) a QIPO; and (ii) the point at which the Real Preferred Shares constitute less than 5% of Real's issued and outstanding share capital, any action or resolution of the Real shareholders, or of the Real board, as applicable, regarding any of a number of key matters requires the consent of a majority of the Real Preferred Shares or, if applicable, the affirmative vote of the Real director elected by the holders of the Real Preferred Shares.

The same voting requirement applies to a corresponding action taken by any of Real's subsidiaries in which Real holds above 50% of such subsidiary's voting rights, on an issued and outstanding basis.

Preemptive Rights

Until a QIPO, holders of 5% or more of the issued and outstanding shares of Real possess preemptive rights on new issuances by Real of any class of shares, options, warrants, convertible deeds, convertible debts or any other security or right exercisable or convertible into shares of the Company, subject to exceptions for (i) securities issued to employees, directors or consultants of Real or any subsidiary thereof, pursuant to a share option plan approved by the Real board of directors; (ii) securities issued pursuant to any event of share combination or subdivision, stock split, stock dividend, distribution of shares for no consideration to all shareholders on a pro rata basis or any other reclassification, reorganization or recapitalization of Real's share capital, (iii) Real Ordinary Shares issued upon conversion of the Real Preferred Shares; (iv) securities issued to the public in an initial public offering; and (v) any other securities excluded from the preemptive rights by Real's board of directors.

Restrictions on Transfer of Shares

Real's fully paid shares have been issued in registered form and may not be transferred unless the transfer has been approved by the Real board of directors, which consent may not be unreasonably withheld or delayed. The board may refuse to register a transfer in the event that such a transfer is to a competitor of Real or in the event that such a transfer would result in Real having more than 50 shareholders. The approval of the Real board is not required for a transfer to certain permitted transferees made in compliance with the provisions of Real's articles.

Right of First Refusal, Co-Sale Rights and Bring-Along Rights

Until a QIPO, holders of 5% or more of the issued and outstanding shares of Real possess a right of first refusal with respect to any transfer of all or any of the securities of Real held by any other shareholder, in accordance with customary procedures. These rights do not apply in the case of a deemed liquidation event involving Real.

Holders of 5% or more of the issued and outstanding shares of Real furthermore have the option, exercisable in accordance with certain procedures, to participate in a transfer of Real Ordinary Shares by a selling shareholder. This co-sale right allows a 5% Real shareholder to transfer such number of shares as is determined by multiplying the total number of shares being transferred by the selling shareholder in the proposed transaction by a fraction, the numerator of which is the number of Real Ordinary Shares, calculated on an as-converted basis, owned by the 5% shareholder and the denominator of which is the total number of issued and outstanding Real Ordinary Shares, calculated on an as-converted basis, held by the selling shareholder and all other shareholders joining in the co-sale transaction.

Until an QIPO, in the event that the holders of at least 60% of Real's issued and outstanding shares, on an as- converted basis, including a majority of the outstanding Real Preferred Shares, approve a bona fide offer from any third party for a sale of all of Real's issued and outstanding shares, the remaining shareholders are required to vote all Real shares over which they possess voting power in favor of approval of the transaction and any other matter facilitating the transaction, and against any proposal for any other transaction with any other party and against any other matter that could result in any of the conditions to Real's obligations under the agreement for the first transaction not being fulfilled.

Restrictions on Ownership by Foreigners

The ownership or voting of Real's shares by non-residents of Israel is not restricted in any way by Real's articles or the laws of the State of Israel, except for ownership by nationals of some countries that are, or have been, in a state of war with Israel.

Consolidated Capitalization

Designation of Security	Amount Authorized	Amount Outstanding as of December 31, 2019[1]	Amount Outstanding as at the date of the Filing Statement[2]
Real Ordinary Shares	123,000,000	41,797,000	44,474,484
Real Preferred Shares	66,000,000	61,921,029	64,921,029

(1) As of December 31, 2019, Real had an accumulated deficit of US $11.94 million.

(2) Immediately prior to Transaction and following conversion of the US$200,000 principal amount of convertible loans (see "Prior Sales"). Excluding 6,216,474 Real Ordinary Shares reserved for issuance under Real's 2016 Incentive Option Plan.

Prior Sales

The following table sets forth details of the number and price at which securities of Real have been sold within the 12 months prior to the date of this Filing Statement:

Date	Number of Shares	Issue Price	Aggregate Issue Price	Consideration
September 22, 2019	2,936,859 Preferred Shares	US$0.1362	US$400,000	Cash
February 17, 2020	US$150,000 principal amount of convertible loans[1]	-	US$150,000	Cash
March 31, 2020	US$50,000 principal amount of convertible loans[1]	-	US$50,000	Cash
April 3, 2020	41,396 Ordinary Shares	US$0.133	US$5,505	Cash[2]

(1) Convertible into Real Ordinary Shares immediately prior to the Closing at a conversion price per share of US $0.07587 which will in turn be exchanged for Resulting Issuer Common Shares upon completion of the Transaction.

(2) On exercise of various stock options.

Executive Compensation

Compensation Discussion and Analysis

Executive Compensation is required to be disclosed for the (i) Chief Executive Officer (or individual who served in a similar capacity during the most recently completed financial year); (ii) Chief Financial Officer (or individual who served in a similar capacity during the most recently completed financial year); (iii) most highly compensated executive officer (other than the Chief Executive Officer and the Chief Financial Officer) who were serving as executive officers at the end of the most recently completed fiscal year whose total compensation was more than
$150,000; and (iv) each individual who would meet the definition set forth in (iii) but for the fact that the individual was neither an executive officer of Real, nor acting in a similar capacity, at the end of that financial year (the "**Named Executive Officers**").

The Named Executive Officers of Real during the most recently completed financial year are Tamir Poleg, Chief Executive Officer, Gal Weiss, Chief Technology Officer and Lynda Radosevich, Chief Marketing Officer. Real did not have a Chief Financial Officer during the most recently completed financial year.

The compensation program of Real is designed to attract, motivate, reward and retain knowledgeable and skilled executives required to achieve Real's business objectives and increase shareholder value. The main objective of the compensation program is to recognize the contribution of the Named Executive Officers to the overall success and strategic growth of Real. The compensation program is designed to reward management performance by aligning a component of the compensation with Real's business performance and share value. The philosophy of Real is to pay management a total compensation amount that is competitive with other companies in a similar industry and is consistent with the experience and responsibility level of management. The purpose of executive compensation is to reward the executives for their contributions to the achievements of Real on both an annual and long-term basis.

Summary Compensation Table

The following table sets forth information concerning the total compensation paid to Named Executive Officers during the financial year ended December 31, 2019.

Summary Compensation Table									
Name and Principal Position	Year end	Salary ($)	Share-Based Awards ($)(1)	Option-Based Awards ($)(2)	Non-Equity Incentive Plan Compensation ($)		Pension Value ($)	All Other Compensation ($)	Total Compensation ($)
					Annual Incentive Plans	Long-Term Incentive Plans			
Tamir Poleg *Chief Executive Officer*	Dec 31, 2019 Dec 31, 2018	US$159,739 (3) US $173,786	-	-	-	-	-	-	US$159,739 US $173,786
Gus Patel *Chief Financial Officer*	Dec 31, 2019 Dec 31, 2018	US$18,825 -	-	-	-	-	-	-	US$18,825 -
Lynda Radosevich *Chief Marketing Officer*	Dec 31, 2019 Dec 31, 2018	US$150,000 US$192,250	-	-	-	-	-	-	US$150,000 US$192,250
Gal Weiss *Chief Technology Officer*	Dec 31, 2019 Dec 31, 2018	US$119,169 (4) US$116,832	-	-	-	-	-	-	US$119,169 US$116,832

(1) "Share-Based Award" means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, common shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, common share equivalent units and stock.

(2) "Option-Based Award" means an award under an equity incentive plan of options, including, for greater certainty, stock options, stock appreciation rights and similar instruments that have option-like features.

(3) Represents the US dollar amount (including, in part, US dollar equivalent amount, based on the US dollar- New Israeli Shekel ("**NIS**") annual average representative exchange rate of US $1.00= NIS 3.5949 published by the Bank of Israel with respect to the 2018 year) of gross salary paid by Real and/or its subsidiaries to Mr. Poleg, and to a limited liability company wholly-owned by him, for the 2018 year.

(4) Represents the US dollar equivalent amount (based on the average US dollar-NIS annual average representative exchange rate of US $1.00= NIS 3.5645 published by the Bank of Israel with respect to the 2019 year) of gross salary paid by Real to Mr. Weiss in NIS for the 2019 year.

Incentive Plans or Option Plans

Real 2016 Incentive Option Plan

Real's 2016 Incentive Option Plan (the "**Real 2016 Plan**"), which was adopted by Real's board of directors in January 2016, provides for the grant of options to Real's and Real's parent's or subsidiaries' respective directors, employees, officers and service providers, and to any person or entity to which options may be donated for charitable purposes.

The Real 2016 Plan is administered by Real's board of directors or by a committee designated by the board, which determines, subject to Israeli law, the grantees of awards and the terms of the grant, including, exercise prices, vesting schedules, acceleration of vesting and the other matters necessary in the administration of the Real 2016 Plan. The Real 2016 Plan enables Real to potentially grant awards under various tax regimes; currently, all awards are granted under the Israeli tax regime, pursuant to Sections 102 and 3(9) of the Israeli Tax Ordinance.

Section 102 of the Israeli Tax Ordinance allows employees, directors and officers who are not controlling shareholders and are considered Israeli residents to receive favorable tax treatment for compensation in the form of shares or options. Israeli non-employee service providers and controlling shareholders may only be granted options under Section 3(9) of the Tax Ordinance, which does not provide for similar tax benefits. Section 102 of the Tax Ordinance includes two alternatives for tax treatment involving the issuance of options to a trustee for the benefit of the grantees and also includes an additional alternative for the issuance of options directly to the grantee. Section 102(b)(2) of the Tax Ordinance, the most favorable tax treatment for grantees, permits the issuance to a trustee under the "capital gains track." However, under this track Real will not be allowed to deduct an expense with respect to the issuance of the options.

Under the Real 2016 Plan, Real may grant options to its employees, directors and officers who are not controlling shareholders and are considered Israeli residents, under the capital gains track. In order to comply with the terms of the capital gains track, all options granted under the 2016 Plan pursuant and subject to the provisions of Section 102 of the Israeli Tax Ordinance, as well as the ordinary shares to be issued upon exercise of these options and other shares received subsequently following any realization of rights with respect to such options, such as share dividends and share splits, must be granted to a trustee for the benefit of the relevant employee, director or officer and should be held by the trustee for at least two years after the date of the grant.

Awards under the Real 2016 Plan may be granted until January 2026, ten years from the date on which the Real 2016 Plan was approved by Real's shareholders.

Options granted under the Real 2016 Plan generally vest over four years commencing on the date of grant such that 25% vest after one year and an additional 1/12th vests at the end of each subsequent three-month period thereafter. Options that are not exercised within ten years from the grant date expire, unless otherwise determined by the board or its designated committee, as applicable. In case of termination for reasons of death or disability, the grantee or his legal successor may exercise options that have vested prior to termination within a period of six months from the date of disability or death, or within three months following retirement. If Real terminates a grantee's employment or service for cause, all of the grantee's vested and unvested options will expire on the date of termination. If a grantee's employment or service is terminated for any other reason, the grantee may exercise his or her vested options within 90 days of the date of termination.

In the event of a merger or consolidation of our company, or a sale of all, or substantially all, of Real's shares or assets or other transaction having a similar effect, then without the consent of the option holder, the board or its designated committee, as applicable, may but is not required to (i) cause any outstanding award to be assumed or an equivalent award to be substituted by such successor corporation or (ii) in case the successor corporation refuses to assume or substitute the award provide the grantee with the option to exercise the award as to all or part of the shares.

Pension Plan Benefits

Real does not have in place any defined benefits or defined compensation pension plans for Named Executive Officers that provides for payments or benefits at, following or in connection with retirement.

Termination and Change of Control Benefits

There are no contacts with any Named Executive Officer that provides for a severance payment or that contains change of control provisions or non-competition/non-solicitation obligations

Director Compensation

The directors of Real did not receive any compensation, share based awards, option based awards, incentive plan rewards or other benefits or perquisites during the financial year ended December 31, 2019.

Management Contracts

No management functions of Real or any of its subsidiaries are performed to any substantial degree by a person other than the directors or senior officers of Real or its subsidiaries.

Non-Arm's Length Party Transaction

Other than as set out below, Real has not obtained assets or services from any of its directors, officers or promoters, any securityholder disclosed herein as a principal securityholder, either before or after giving effect to the Transaction, or any Associate or Affiliate of any of the foregoing persons or companies within the five years prior to the filing of this filing statement.

Financings with Officers, Directors and Principal Securityholders

During the years 2015-2019, Real entered into various financing transactions with investors that included certain current officers, directors and principal securityholders of Real. The terms offered to the officers, directors and principal securityholders for purchases of Real's securities were not more favorable than the terms offered to all investors. All numbers of Real Ordinary Shares and Real Preferred Shares described in these financing rounds reflect a 25-for-1 stock split that was effected by Real in June 2018.

Upon the incorporation of Real on June 26, 2014, Real issued, for nominal consideration, to (i) each of Tamir Poleg (a current officer, director and principal securityholder) and Yuval Niv (a current director) 9.5 million ordinary shares, (ii) Gal Weiss (a current officer) 2.375 million Real Ordinary Shares, and (iii) Guy Gamzu (a current director) 1.25 million Real Ordinary Shares.

On June 30, 2014, in its pre-seed investment round, Real issued and sold to each of Cubit Investments Ltd., Roy Oron and Anfield Ltd. (each, a principal securityholder) 2.5 million Real Ordinary Shares, at a price of US$0.04 per share.

In March 2015, in its next financing round, Real sold 1,902,575 additional Real Ordinary Shares at a price of US$0.0876 per share to each of Cubit Investments Ltd., Roy Oron and Anfield Ltd. (each, a current principal securityholder).

In November 2015, Real sold 856,600 Real Preferred Shares at a price of US$0.281 per share to each of Cubit Investments Ltd., Roy Oron and Anfield Ltd. (each, a current principal securityholder), along with 17,303,250 and 487,650 Real Preferred Shares, also at a price of US$0.281 per share, to Magma Venture Capital IV L.P. (a current principal securityholder) and its affiliate Magma Venture Capital CEO Fund L.P., respectively.

As a follow-up/joinder to its November 2015 financing round, Real sold additional Real Preferred Shares to certain current principal securityholders--Roy Oron and Anfield Ltd. (1,245,350 shares each), Cubit Investments Ltd. (711,625 shares) and Northern Lights LP (8,895,450 shares), in each case at a price of US$0.281 per share.

In August 2018, Real sold additional Real Preferred Shares, once again at a price of US$0.281 per share, to certain current principal securityholders, consisting of: Cubit Investments Ltd. (421,708 shares); Roy Oron and Anfield Ltd. (459,075 shares each); and Magma Venture Capital IV L.P. and its affiliate Magma Venture Capital CEO Fund L.P. (1,222,644 shares and 34,719 shares, respectively).

On April 16, 2019, Real sold additional Real Preferred Shares, at a price of US$0.0253 per share, to certain current principal securityholders, consisting of: Anfield Ltd. and Cubit Investments Ltd. (4,996,838 shares each); Roy Oron (4,996,758 shares); Magma Venture Capital IV L.P. and its affiliate Magma Venture Capital CEO Fund L.P. (3,844,229 shares and 108,340 shares, respectively); and Northern Lights LP (2,826,442 shares).

On September 22, 2019, Real sold 436,667 additional Real Preferred Shares, at a price of US$0.1362 per share, to each of the following current principal securityholders: Anfield Ltd.; Roy Oron; and Cubit Investments Ltd.

On February 17, 2020 and on March 31, 2020, Real raised an aggregate of US$200,000 by way of convertible loan with the following current principal securityholders: Anfield Ltd.; Roy Oron; and Cubit Investments Ltd. The principal amounts invested under such agreement will convert into Real Ordinary Shares immediately prior to the Closing at a conversion price per share of US $0.07587 which will in turn be exchanged for Resulting Issuer Common Shares upon completion of the Transaction.

Services Agreement with Yuval Niv

On April 1, 2018, Real entered into a services agreement with its former founder, Yuval Niv, for a four-month period, during which Mr. Niv provided day-to-day consultancy and advisory services pertaining to technological issues and/or other services requested by Real. Mr. Niv was entitled to a fixed monthly fee of NIS 10,000 under the agreement. The agreement was entered into in connection with the termination of Mr. Niv's employment at Real. In connection with his services under the agreement, Mr. Niv was subject to customary undertakings concerning confidentiality, non-competition and the assignment of his intellectual property rights.

Legal Proceedings

Other than certain ordinary course legal proceedings in connection with Real's multi-state real estate brokerage business (none of which are expected to have a material impact on the business or operations of Real), Real is neither a party to, nor is any of its property the subject matter of, any legal proceedings, nor are any such proceedings known to Real to be contemplated by any party.

Material Contracts

Real has not entered into any material contracts, outside of the ordinary course of business, prior to the date hereof, other than:

1. the Transaction Agreement.

Copies of material contracts will be available for inspection without charge at the business office of Real's solicitors, Gowling WLG (Canada) LLP, 1 First Canadian Place, 100 King Street West, Suite 1600, Toronto, Ontario, during ordinary business hours from the date hereof until the completion of the Transaction.

PART IV - INFORMATION CONCERNING THE RESULTING ISSUER

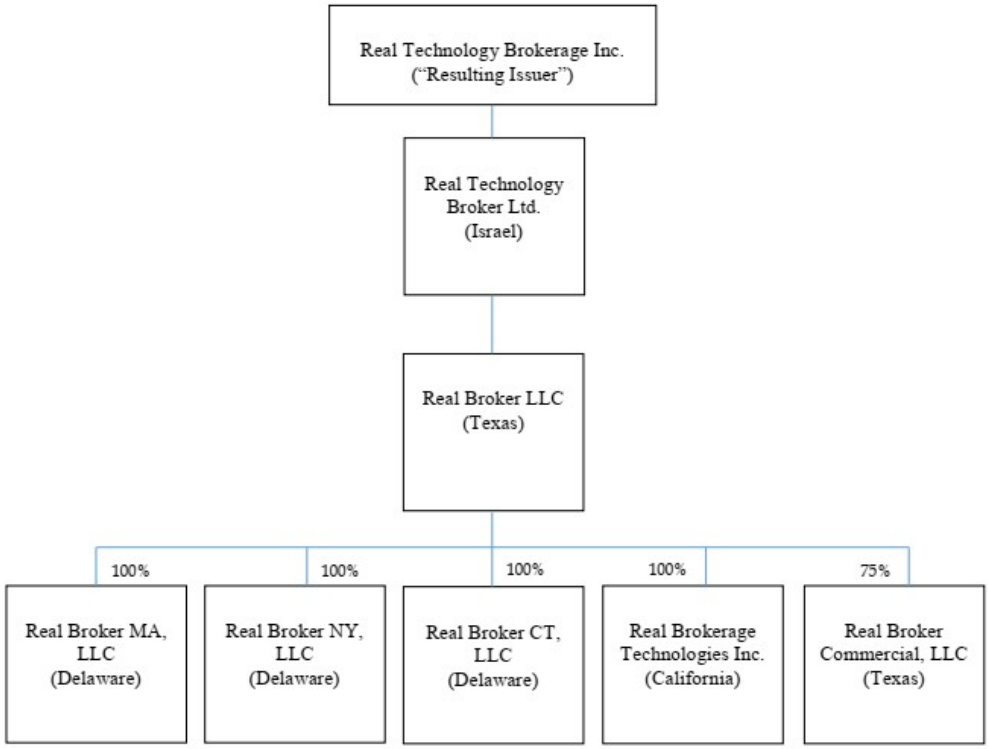
Corporate Structure

Name and Incorporation

It is expected that, following the Completion of the Qualifying Transaction, the Resulting Issuer's head and registered office will be located at Suite 2300, Bentall 5, 550 Burrard Street, Vancouver British Columbia, V6C 2B5.

Intercorporate Relationships

Following the Completion of the Qualifying Transaction, Real will be a wholly-owned subsidiary of the Resulting Issuer. The chart below represents the corporate structure of the Resulting Issuer.



Narrative Description of the Business

Stated Business Objectives

The Resulting Issuer will carry on the business of Real and use the funds available to it as stated in this Filing Statement. The Resulting Issuer plans to continue with Real's business plan. See "- *Available Funds and Principal Purposes*" below and Part III - "*Information Concerning Real - Narrative Description of the Business*".

Milestones

For a summary of the timing and costs related to the Resulting Issuer's business plan, see "- *Available Funds and Principal Purposes*" below and Part III - "*Information Concerning Real - Narrative Description of the Business*".

Description of the Securities

Upon Completion of the Qualifying Transaction and the ADL Private Placement, it is expected that the following securities will be issued and outstanding in the capital of the Resulting Issuer (assuming completion of the ADL Private Placement): 140,098,047 Resulting Issuer Shares, 8,120,963 Resulting Issuer Options entitling the holders thereof to purchase up to an aggregate of 8,120,963 Resulting Issuer Shares and 300,000 Resulting Issuer Compensation Options entitling the holders thereof to purchase up to an aggregate of 300,000 Resulting Issuer Shares. See "- *Pro Forma Consolidated Capitalization - Fully-Diluted Share Capital*" below.

Subject to the approval of the Resulting Issuer Board, the Resulting Issuer may also issue additional incentive stock options to its directors, officers, employees and consultants following the Completion of the Qualifying Transaction. See "- *Options to Purchase Securities*" below.

The holders of Resulting Issuer Common Shares will be entitled to receive notice of and attend any meeting of the shareholders of the Resulting Issuer and be entitled to cast one vote for each Resulting Issuer Common Share held. The holders of Resulting Issuer Common Shares will be entitled to receive dividends if, as and when declared by the Resulting Issuer Board and to receive a proportionate share, on a per share basis, of the assets of the Resulting Issuer available for distribution in the event of a liquidation, dissolution or winding-up of the Resulting Issuer.

Selected *Pro Forma* Balance Sheet Information

The following table sets forth certain *pro forma* financial information of the Resulting Issuer after giving effect to the Transaction. Such unaudited *pro forma* balance sheet information is based on certain assumptions and adjustments and are not necessarily indicative of the Resulting Issuer's consolidated financial position if the events reflected therein were in effect for the periods presented, nor do they purport to project the Resulting Issuer's financial position or results from operations for any future period:

Balance Sheet	Pro Forma as at December 31, 2019 after giving effect to the Transaction ($USD)
Current Assets	2,509,000
Long-Term Assets	213,000
Current Liabilities	577,000
Shareholders' Equity	1,873,000

Such information is derived from the unaudited *pro forma* balance sheet of the Resulting Issuer as at December 31, 2019, which is attached hereto as Appendix "E" - *Pro Forma Financial Statements of the Resulting Issuer*, and should be read in conjunction herewith.

***Pro Forma* Consolidated Capitalization**

The following table sets forth the *pro forma* share capital of the Resulting Issuer following Completion of the Qualifying Transaction.

Designation of Security	Authorized	Amount outstanding following Completion of the Qualifying Transaction
Resulting Issuer Common Shares	Unlimited	140,098,047
Resulting Issuer Options		8,120,963 (1)
Resulting Issuer Compensation Options		300,000 (2)
Total Fully Diluted Share Capital		148,519,010

(1) Comprised of 900,000 options granted to existing option holders of ADL, in aggregate, 6,098,411 options granted to existing option holders of Real on the closing of the Transaction and 1,122,552 options granted to the directors of the Resulting Issuer upon closing of the Transaction.

(2) See "*Information Concerning ADL - ADL Compensation Options*".

Fully-Diluted Share Capital

The following table summarizes the securities of ADL and Real currently issued and outstanding and the securities of the Resulting Issuer to be issued and outstanding following the Completion of the Qualifying Transaction:

	Number of Securities	% of total number of Resulting Issuer Common Shares outstanding following Completion of the Qualifying Transaction	
		(Non-Diluted)	(Fully-Diluted)
ADL Common Shares outstanding as of the date of this Filing Statement	9,100,000	6.5	6.1
Resulting Issuer Shares to be issued as consideration for the Real Shares including Real Shares issuable upon the conversion of the US $200,000 principal amount of Real convertible loans	110,239,877	78.7	74.2
Number of Resulting Issuer Shares to be issued upon exercise of the ADL Subscription Receipts issued pursuant to the ADL Private Placement	20,758,170	14.8	14.1
Total Resulting Issuer Shares	140,098,047	-	-

Available Funds and Principal Purposes

The following table sets forth the funds anticipated to be available to the Resulting Issuer on a consolidated basis after giving effect to the Qualifying Transaction:

Source of Funds	Amount of Funds (CAD)
Estimated working capital of Real as at March 31, 2020	$180,000
Estimated working capital of ADL as at March 31, 2020	$450,000
Net proceeds from the ADL Private Placement	$2,200,000(1)
Projected gross profit of Real for 18 months following completion of the Qualifying Transaction	$7,002,820(2)
Total Estimated Funds Available	$9,832,820

(1) Assuming completion of the ADL Private Placement of approximately CDN $2,200,000.
(2) Based on management projections.

The following table sets forth the proposed use of the available funds upon completion of the Qualifying Transaction:

Use of Available Funds	Amount of Funds (CAD)
Research and Development	$1,980,750
Sales and Marketing	$2,310,180
General and Administrative	$3,384,650
Estimated costs incidental to the Qualifying Transaction	$350,000
Unallocated funds	$1,807,240
Total	$9,832,820(1)

(1) Real and ADL anticipate that these funds will be sufficient for these uses for an 18 month period following the date of completion of the Qualifying Transaction.

The above sources and uses of funds are estimates only. Notwithstanding the proposed uses of available funds as discussed above, there may be circumstances where, for sound business reasons, a reallocation of funds may be necessary. It is difficult at this time to definitively project the total funds necessary to execute the planned undertakings of the Resulting Issuer. For these reasons, management considers it to be in the best interests of the Resulting Issuer and its shareholders to permit management a reasonable degree of flexibility as to how the Resulting Issuer's funds are employed among the above uses or for other purposes, as the need may arise.

Dividends

There are no restrictions in the Resulting Issuer's articles or elsewhere which could prevent the Resulting Issuer from paying dividends subsequent to Completion of the Qualifying Transaction. The Resulting Issuer does not contemplate paying any dividends on any Resulting Issuer Common Shares in the immediate future subsequent to the Completion of the Qualifying Transaction, as it anticipates investing all available funds to finance the growth of the Resulting Issuer's business. The Resulting Issuer Board will determine if, and when, to declare and pay dividends in the future from funds properly applicable to the payment of dividends based on the Resulting Issuer's financial position at the relevant time. All of the Resulting Issuer Common Shares will be entitled to an equal share in any dividends declared and paid on a per share basis.

Principal Securityholders

To the best of the knowledge of management and the directors of ADL and Real, other than as set out in the following table, there is no Person who will own of record or beneficially, directly or indirectly, or exercise control or direction over, more than 10% of the voting rights attached to all of the outstanding Resulting Issuer Common Shares after the Completion of the Qualifying Transaction.

Name and Municipality of Residence	Resulting Issuer Common Shares upon Completion of the Qualifying Transaction	Common Shares owned of Record and/or Beneficially
Magma Venture Capital Funds(1) Tel Aviv, Israel	24,498,928 (2)	Of Record

(1) Upon completion of the Qualifying Transaction and the ADL Private Placement, it is expected that 23,827,154 Resulting Issuer Common Shares will be held by Magma Venture Capital IV L.P. and 671,774 Resulting Issuer Common Shares will be held by Magma Venture Capital CEO Fund L.P. (collectively, the "Magma Funds"). The general partners of the Magma Funds are owned and controlled by Yahal Zilka (50%) and Modi Rosen (50%).

(2) 17.5% Resulting Issuer Shares on a non-diluted basis and 16.5% Resulting Issuer Shares on a fully diluted basis assuming completion of the ADL Private Placement.

Directors, Officers and Promoters

Name, Municipality of Residence, Occupation and Security Holdings

It is expected that, upon Completion of the Qualifying Transaction, the following individuals will be the directors and officers of the Resulting Issuer, with the term of office of the directors to expire on the date of the next annual general meeting of the shareholders of the Resulting Issuer.

Tamir Poleg - Chairman, Chief Executive Officer and Director

Tamir Poleg is the Co-Founder and CEO of Real since Real was founded in 2014. Prior to founding Real, Mr. Poleg founded and served as the Chief Executive Officer of Optimum RE Investments - a real estate company focused on multi-family investments and operations. Prior to shifting to real estate, Mr. Poleg served in executive sales and business development positions with several technology companies, focusing on wireless infrastructure development and deployment across multiple continents. With over 15 years of real estate experience, including serving as a construction manager, and 9 years of technology company experience, Mr. Poleg is considered an expert in real estate technology and a member of Forbes Real Estate Council. Mr. Poleg holds a bachelor's degree in economics and several real estate related accreditations. Mr. Poleg is the sole director and officer of each of the Real Subsidiaries.

Gus Patel CPA, CA, EET, LPA - Chief Financial Officer and Corporate Secretary

Gus Patel serves as Chief Financial Officer of Real. He also serves as a Founding Partner of Abacus Group, a public accounting and advisory firm, since October 2017. Mr. Patel was formally Controller of Urbanfund Corp. (TSX-V: UFC) and Westdale Construction Co. Limited, and was responsible for financial reporting, strategy and corporate tax compliance (Oct. 2017 - Jun. 2019). Previously he was a Manager at Collins Barrow Toronto LLP in the assurance and advisory practice with a focus on public market transactions (Nov. 2014 - Oct. 2017). Mr. Patel is a Chartered Professional Accountant and Chartered Accountant, and has a Bachelor of Commerce in Accounting and Finance from the Ted Rogers School of Management at Ryerson University.

Lynda Radosevich - Chief Marketing Officer

Lynda Radosevich serves as Real's Chief Marketing Officer (CMO). Ms. Radosevich has two decades experience building early stage, high-growth, venture-backed technology companies as a marketing officer and business consultant. She has contributed to multiple IPOs and acquisitions. Prior to joining Real, she was head of corporate marketing for Directly, a support automation leader backed by Microsoft M12 Ventures and True Ventures. Early in her career, she was a technology industry reporter. As CMO, Ms. Radosevich oversees positioning and messaging and directs the planning, development and execution of marketing, advertising and growth initiatives.

Guy Gamzu -Director

Guy Gamzu founded and has served as the Chairman of Cubit Investments Ltd., a privately owned investment company specializing in early stage venture finance since 1998 and serves as a director and chairman of a number of private technology companies.

Larry Klane -Director

Larry Klane is an independent director, co-founder of an investment firm and prior CEO and business leader of an array of wholesale and retail financial services businesses globally. In addition to his executive experience, Mr. Klane has served on nine corporate boards-four public boards (two in the United States and two in Asia) and five private boards (two in the United States, two in Europe and one in Canada). Mr. Klane currently serves on the boards of Goldman Sachs Bank USA and Navient Corporation (Nasdaq: NAVI). Previously, Mr. Klane served as Chairman of the Board and CEO of Korea Exchange Bank and as a Director of Aozora Bank, publicly traded banks in Korea and Japan respectively. Prior to leading Korea Exchange Bank, Mr. Klane served as President of the Global Financial Services division of Capital One Financial Corporation. Mr. Klane joined Capital One in 2000 to help lead the company's transformation to a diversified financial services business. His responsibilities during his tenure included a broad range of consumer and business finance activities in the United States, Europe and Canada. He oversaw all merger and acquisition activities. Prior to Capital One, Mr. Klane was a Managing Director at Deutsche Bank and ran the Corporate Trust and Agency Services business acquired from Bankers Trust. Earlier in his career, Larry spent a decade in a variety of US and overseas consulting and strategy roles. Mr. Klane qualifies as a Qualified Financial Expert under SEC guidelines. In January 2014, Larry co-founded Pivot Investment Partners, a private investment firm focused on investing in a select set of high potential financial technology companies. Mr. Klane received his MBA from the Stanford Graduate School of Business and earned his undergraduate degree from Harvard College. In 2007, Mr. Klane was nominated by the President of the United States to sit on the Federal Reserve Board of Governors.

Laurence Rose - Director

Laurence Rose serves as Chairman of Omega ATS Inc. and is President of private investment firm Matchpoint Financial Corp. Mr. Rose spent over eleven years at global investment bank Cantor Fitzgerald where his responsibilities included executive oversight of a number of business units, joint ventures, and investments. He served as Chairman, President and Chief Executive Officer of Cantor Fitzgerald Canada Corporation and Senior Managing Director of Cantor Fitzgerald & Co. Prior to joining Cantor Fitzgerald, Mr. Rose was founder and CEO of CollectiveBid Systems Inc. and its wholly-owned investment dealer subsidiary, CBID Markets Inc., which launched Canada's first Alternative Trading System (ATS). With over twenty-five years' experience in the capital markets and technology sectors, his professional experience also includes positions with RBC Dominion Securities Inc., Dow Jones Markets Inc. and Bridge Information Systems. Mr. Rose serves on a number of Boards of both corporate and non-profit organizations.

The following table lists the name, municipality of residence, proposed office, principal occupation and anticipated shareholdings of each proposed director and officer of the Resulting Issuer.

Name and Municipality of Residence	**Positions and Offices to be Held**	**Principal Occupation During the Past Five Years**	**Resulting Issuer Common Shares owned, beneficially held or controlled, assuming Completion of the Qualifying Transaction (1)**	**Director or Officer of ADL or Real Since**
Tamir Poleg Tel Aviv, Israel	Chairman, Chief Executive Officer and Director	Chief Executive Officer of Real	9,578,850 6.8%	2014
Gus Patel Toronto, Ontario	Chief Financial Officer and Corporate Secretary	Partner of Abacus Group from November 2017 to the present; Manager at Collins Barrow from November 2014 to October 2017	Nil	September, 2019
Lynda Radosevich New York, New York	Chief Marketing Officer	Chief Marketing Officer of Real	Nil	January, 2017
Guy Gamzu**(2) (5)** Tel Aviv, Israel	Director	Investor	17,910,835 12.7%	2014
Larry Klane **(3) (5)** New York, New York	Director	Partner of Pivot Investment Partners	4,575,164 3.3%	On closing of Qualifying Transaction
Laurence Rose**(4) (5)** Toronto, Ontario	Director	Chairman, Omega ATS Inc.	2,493,542 1.8%	February 28, 2018

(1) Assuming completion of the ADL Private Placement.

(2) Comprised of: 15,353,271 Common Shares to be held by Cubit Investments Ltd., a company beneficially owned by Mr. Gamzu; 1,307,189 Common Shares issued on the exercise of subscription receipts purchased on the ADL Private Placement by Cubit Investments Ltd.; and 1,250,375 Common Shares to be owned by Mr. Gamzu personally.

(3) Shares to be held by Poom Holdings LLC, a company beneficially owned by Mr. Klane upon completion of the ADL Private Placement.

(4) Shares to be held by Matchpoint Capital Inc., a company beneficially owned by Mr. Rose.

(5) Member of the audit committee.

Upon Completion of the Qualifying Transaction, the Resulting Issuer Common Shares beneficially owned, directly or indirectly, by all Promoters, Insiders, directors and executive officers of the Resulting Issuer, as a group, will be 59,051,319 Resulting Issuer Common Shares, or approximately 42.1% on a non-diluted basis or 39.8% on a fully- diluted basis assuming completion of the ADL Private Placement.

Cease Trade Orders or Bankruptcies

None of the proposed directors, officers, Insiders or Promoters of the Resulting Issuer or a shareholder holding a sufficient number of securities of the Resulting Issuer to affect materially the control of the Resulting Issuer is, or within 10 years before the date of this Filing Statement has been, a director, officer, Insider or Promoter of any other issuer that, while that person was acting in that capacity:

(a) was the subject of a cease trade or similar order, or an order that denied the other issuer access to any exemptions under applicable securities legislation for a period of more than 30 consecutive days; or

(b) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Penalties or Sanctions

None of the proposed directors, officers, Insiders or the Promoters of the Resulting Issuer or a shareholder holding a sufficient number of securities of the Resulting Issuer to affect materially the control of the Resulting Issuer has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by any securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or has been subject to any other penalties or sanctions imposed by a court or regulatory body or self-regulatory authority that would be likely to be considered important to a reasonable investor making an investment decision.

Personal Bankruptcies

None of the proposed directors, officers, Insiders or the Promoters of the Resulting Issuer or a shareholder holding a sufficient number of securities of the Resulting Issuer to affect materially the control of the Resulting Issuer is, or within the 10 years before the date of this Filing Statement, has been declared bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or has been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold their assets.

Conflicts of Interest

There may from time to time be potential conflicts of interest to which some of the directors, officers, Insiders and Promoters of the Resulting Issuer will be subject in connection with the operations of the Resulting Issuer. Some of the individuals who will be appointed as directors or officers of the Resulting Issuer are also directors and/or officers of other reporting and non-reporting issuers. Conflicts, if any, will be subject to the procedures and remedies provided for under the BCBCA.

Other Reporting Issuer Experience

The following table sets out the proposed directors, officers and Promoters of the Resulting Issuer that are, or have been within the last five years, directors, officers or Promoters of other reporting issuers:

Name	Name of Reporting Issuer	Trading Market	Position	From	To
Guy Gamzu	MediaMind Inc.	NASDAQ	Director	August 2010	March 2011
Larry Klane	Navient Corporation	NASDAQ	Director	May 2019	Present
	Verifone Systems	NYSE	Director	December 2017	August 2018
Laurence Rose	iLOOKABOUT Corp.	TSXV	CEO, Director	September 2016	December 2017
	ADL Ventures Inc.	TSXV	CEO, Director	February 2018	Present

Executive Compensation

See Part III - "*Information Concerning Real - Executive Compensation*".

Indebtedness of Directors and Officers

Other than as disclosed in this Filing Statement, no director or officer of ADL or Real, or any Associate or Affiliate of any of them was or ever has been indebted to ADL or Real nor has any indebtedness of any such person been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by ADL or Real.

Investor Relations Arrangements

The Resulting Issuer has not entered into, and does not presently intend to enter into, any written or oral agreement or understanding with any person to provide promotional or investor relations services to either of them, or to engage in activities for the purposes of stabilizing the market, either now or in the future.

Options to Purchase Securities

Options to Purchase Securities

Assuming Completion of the Qualifying Transaction there will be 8,120,963 Resulting Issuer Options outstanding (excluding the Resulting Issuer Compensation Options). The following table illustrates the number of options of the Resulting Issuer that will be held by the officers, directors, employees and consultants of the Resulting Issuer upon completion of the Qualifying Transaction. **The Resulting Issuer does not anticipate granting any other options on or before the Closing of the Qualifying Transaction.**

Name and Category	**# of Holders**	**Resulting Issuer Options # options**	**Exercise Price ($/Resulting Issuer Share)**	**Expiration Date**
Officers of the Resulting Issuer, as a group	2	4,488,263	3,552,734 at US $0.0253; 151,245 at US $0.133; 503,646 at US$0.132; 280,638 at $0.0765	January 20, 2026
Directors of the Resulting Issuer who are not officers, as a group[(2)]	3	1 x 225,000 3 x 280,638	$0.10 $0.0765	April 18, 2028
Employees of the Resulting Issuer, as a group	7	208,719	58,481 at US$0.132; 150,238 at US$0.133	January 20, 2026
Consultants of the Resulting Issuer, as a group	567	1,851,727	220,118 at US $0.132; 220,092 at US $0.14; 1,411,517 at US $0.133	January 20, 2026
Former Directors, Officers and Employees of the Resulting Issuer, as a group	3	675,000	$0.10	April 18, 2028
TOTAL		**8,290,623**		

Stock Option Plan

Upon Completion of the Qualifying Transaction, the Resulting Issuer will maintain the current stock option plan of ADL. See *Part II - Information Concerning ADL - Stock Option Plan.*

Escrowed Securities and Securities Subject to Contractual Restrictions on Transfer

An aggregate of 6,100,000 Common Shares are held in escrow as CPC Escrow Shares with the Escrow Agent. Pursuant to the Proposed Qualifying Transaction 6,100,000 Resulting Issuer Shares will remain in escrow pursuant to the CPC Escrow Agreement.

ADL and Real expect that 29,139,288 Resulting Issuer Shares to be issued to former Real Shareholders, and 5,330,173 Resulting Issuer Options issued to certain former holders of Real Options pursuant to the Proposed Qualifying Transaction will be held by persons who are Principals of the Resulting Issuer, and will accordingly be subject to escrow in accordance with Exchange policies.

CPC Escrow

The following table sets out, as of the date of this Prospectus, the Resulting Issuer Shares that will be held in escrow with the Escrow Agent pursuant to the CPC Escrow Agreement..

Designation of class	Number of escrowed securities	Percentage of class prior to giving effect to the Proposed Qualifying Transaction and ADL Private Placement	Percentage of class after giving effect to the Proposed Qualifying Transaction and ADL Private Placement
Resulting Issuer Shares	6,100,000	67%	4.3%

Upon completion of the Proposed Qualifying Transaction, it is expected that the Resulting Issuer will be listed on the Exchange as a Tier 1 technology issuer. Accordingly, 25% of the Resulting Issuer Shares held subject to the CPC Escrow Agreement will be released from escrow upon the issuance of the Final Exchange Bulletin, and an additional 25% will be released on the dates that are 6 months, 12 months, and 18 months following the date of the Final Exchange Bulletin.

Qualifying Transaction Escrow

Resulting Issuer securities to be issued pursuant to the Proposed Qualifying Transaction to Principals of the Resulting Issuer will be subject to escrow in accordance with Exchange policies. Upon completion of the Proposed Qualifying Transaction, such persons will be required to place their Resulting Issuer securities into escrow pursuant to a Tier 1 Value Escrow Agreement (the "**QT Escrow Agreement**"). Escrowed Resulting Issuer securities may not be sold, assigned, hypothecated, transferred within escrow or otherwise dealt with in any manner without the written consent of the Exchange. An entity, controlled by one or more persons, that holds escrowed Resulting Issuer securities may not participate in a transaction that results in a change of its control or a change in the economic exposure of the persons to the risks of holding escrowed Resulting Issuer securities.

The following table lists the names of beneficial owners of the securities that will be subject to escrow pursuant to the QT Escrow Agreement, and the number of securities held by each:

Name and Municipality of Residence of Securityholder	Designation of class	Number of escrowed securities	Percentage of class after giving effect to the Proposed Qualifying Transaction and ADL Private Placement
Tamir Poleg	Resulting Issuer Shares	9,578,850	6.8
Tel Aviv, Israel	Resulting Issuer Options	3,833,372	46.2
Guy Gamzu	Resulting Issuer Shares	17,910,835	12.7
Tel Aviv, Israel	Resulting Issuer Options	280,637	3.4
Gus Patel	Resulting Issuer Shares	Nil	Nil
Toronto, Ontario	Resulting Issuer Options	Nil	Nil
Lynda Radosevich	Resulting Issuer Shares	Nil	Nil
New York, New York	Resulting Issuer Options	654,889	7.9
Larry Klane	Resulting Issuer Shares	4,575,164	3.2
New York, New York	Resulting Issuer Options	280,637	3.4
Laurence Rose	Resulting Issuer Shares	493,542	0.3
Toronto, Ontario	Resulting Issuer Options	280,637	3.4
Total	**Resulting Issuer Shares**	32,558,491	23.0
	Resulting Issuer Options	5,330,172	64.3

The QT Escrow Agreement provides that 25% of the escrowed securities will be released from escrow upon issuance of the Final Exchange Bulletin, an additional 25% will be released on the dates that are 6 months, 12 months, and 18 months following the date of the Final Exchange Bulletin.

Seed Share Resale Restrictions

An aggregate of 28,246,597 Resulting Issuer Shares will be subject to the seed share resale restrictions of the Exchange whereby 25% shall be released from escrow on the issuance of the Final Exchange Bulletin and 25% will be released on the dates that are 6 months, 12 months, and 18 months following the date of the Final Exchange Bulletin.

Transfers of Escrowed Securities

Where escrowed Resulting Issuer Shares are to be held by a person that is not an individual, such person will be required to agree not engage in any transaction that would result in the change of control of such person while its securities of the Resulting Issuer are held in escrow. Any such person will be required to further undertake to the Exchange that, to the extent reasonably possible, it will not permit or authorize any issuance of securities or transfer of securities which could reasonably result in a change of control of the person.

All holders of escrowed securities must obtain Exchange consent to transfer securities held in escrow, other than in specified circumstances set out in the applicable escrow agreement.

Lock-Up Agreements

In addition to the Resulting Issuer Shares that are subject to the CPC Escrow Agreement and the QT Escrow Agreement, all the shareholders of Real immediately prior to the completion of the Proposed Qualifying Transaction will enter into a lock-up agreements with the Resulting Issuer whereby such shareholders will agree not to transfer their shares for a period of 6 months from the completion of the Proposed Qualifying Transaction.

Auditors, Transfer Agent and Registrar

Auditor

The Resulting Issuer's auditors will be Real's current auditors, Brightman Almagor Zohar & Co., a firm in the Deloitte Global Network, whose principal office is located at Azrieli Center, Derech Menachem Begin 132, Tel Aviv, Israel, 6701101.

Transfer Agent and Registrar

The registrar and transfer agent for Resulting Issuer Common Shares subsequent to the Completion of the Qualifying Transaction will be Computershare Investor Services Inc., located at 510 Burrard Street, 3rd Floor, Vancouver, British Columbia, V6C 3B9.

PART V - GENERAL MATTERS

Sponsorship and Agent Relationship

The Exchange has granted ADL's request for an exemption from the sponsorship requirements of Policy 2.2.

Experts

There is no interest, direct or indirect, in any securities or property of ADL, Real or the Resulting Issuer, or of an Associate or Affiliate of ADL, Real or the Resulting Issuer, received or to be received by an expert.

For the purposes hereof, "expert" means any person or company whose profession or business gives authority to a statement made by that person or company and who is named as having prepared or certified a part of this Filing Statement, or prepared or certified a report or valuation described or included in this Filing Statement.

Other Material Facts

There are no other material facts about ADL, Real, the Resulting Issuer or the Transaction that are not elsewhere disclosed herein and which are necessary in order for this Filing Statement to contain full, true and plain disclosure of all material facts relating to ADL, Real and the Resulting Issuer, assuming Completion of the Qualifying Transaction.

Board Approval

The contents and the filing of this Filing Statement have been approved by the board of directors of each of ADL and Real. Where information contained in this Filing Statement rests particularly within the knowledge of a person other than ADL, ADL has relied upon information furnished by such person.

PART VI - RISK FACTORS

The current business of Real will be the business of the Resulting Issuer following Completion of the Qualifying Transaction. Accordingly, risk factors relating to Real's current business will be risk factors relating to the Resulting Issuer's business. Due to the nature of Real's business, the legal and economic climate in which it operates and its present stage of development and proposed operations, the Resulting Issuer will be subject to significant risks. The Resulting Issuer's future development and actual operating results may be very different from those expected as at the date of this Filing Statement. Readers should carefully consider all such risks, which include but are not limited to the following.

The following is a summary of certain risk factors relating to the Transaction and to the business of the Resulting Issuer and is qualified in its entirety by reference to, and must be read in conjunction with, the detailed information appearing elsewhere in this Filing Statement.

Risks Related to the Qualifying Transaction

Regulatory Approval of the Qualifying Transaction may not be obtained.

The Completion of the Qualifying Transaction is subject to the satisfaction of a number of conditions, including final acceptance of the TSXV. There can be no assurance that all of the necessary regulatory approvals will be obtained. If the Qualifying Transaction, as contemplated by the Transaction Agreement is not completed for these reasons or for any others, Real and ADL will have incurred significant costs associated with the failed implementation of the Qualifying Transaction.

The Transaction Agreement may be terminated.

The Transaction Agreement specifies that the parties' obligation to effect the Qualifying Transaction is conditional upon the satisfaction of a number of conditions. If any of the conditions are not satisfied or waived, the Qualifying Transaction may not be completed. Each of ADL and Real have the right, in certain circumstances, to terminate the Transaction Agreement. Accordingly, there can be no certainty that the Transaction Agreement will not be terminated by either party prior to the Completion of the Qualifying Transaction.

The requirements of being a public company may strain the Resulting Issuer's resources, divert management's attention and affect its ability to attract and retain executive management and qualified board members.

As a reporting issuer, the Resulting Issuer will be subject to the reporting requirements of applicable securities legislation of the jurisdiction in which it is a reporting issuer, the listing requirements of the TSXV and other applicable securities rules and regulations. Compliance with those rules and regulations will increase the Resulting Issuer's legal and financial costs, make some activities more difficult, time consuming or costly and increase demand on its systems and resources.

Risk Related to the Resulting Issuer

Real's financial performance is closely connected to the strength of the residential real estate market, which is subject to a number of general business and macroeconomic conditions beyond Real's control.

Real's financial performance is closely tied to the strength of the US residential real estate market which is cyclical in nature and typically is affected by changes in national, state and local economic conditions which are beyond Real's control. Macroeconomic conditions that could adversely impact the growth of the real estate market and have a material adverse effect on our business include, but are not limited to, economic slowdown or recession, increased unemployment, increased energy costs, reductions in the availability of credit or higher interest rates, increased costs of obtaining mortgages, an increase in foreclosure activity, inflation, disruptions in capital markets, declines in the stock market, adverse tax policies or changes in other regulations, lower consumer confidence, lower wage and salary levels, war or terrorist attacks, natural disasters or adverse weather events, or the public perception that any of these events may occur. Unfavorable general economic conditions, such as a recession or economic slowdown, in the United States, Canada or other markets Real enters and operates within could negatively affect the affordability of, and consumer demand for, our services which could have a material adverse effect on our business and profitability. In addition, federal and state governments, agencies and government-sponsored entities could take actions that result in unforeseen consequences to the real estate market or that otherwise could negatively impact Real's business.

The real estate market is substantially reliant on the monetary policies of the federal government and its agencies and is particularly affected by the policies of the Federal Reserve Board, which regulates the supply of money and credit in the US, which in turn impacts interest rates. Real's business could be negatively impacted by any rising interest rate environment. As mortgage rates rise, the number of home sale transactions may decrease as potential home sellers choose to stay with their lower mortgage rate rather than sell their home and pay a higher mortgage rate with the purchase of another home. Similarly, in higher interest rate environments, potential home buyers may choose to rent rather than pay higher mortgage rates. Changes in the interest rate environment and mortgage market are beyond Real's control, are difficult to predict and could have a material adverse effect on our business and profitability.

Real may be unable to maintain its agent growth rate, which would adversely affect its revenue growth and results of operations.

Real has experienced rapid and accelerating growth in our real estate broker and agent base. Because Real derives revenue from real estate transactions in which its brokers and agents receive commissions, increases in Real's agent and broker base correlate to increases in revenues, and the rate of growth of our revenue correlates to the rate of growth of Real's agent and broker base. The rate of growth of Real's agent and broker base cannot be predicted and is subject to many factors outside of Real's control, including actions taken by Real's competitors and macroeconomic factors affecting the real estate industry generally. There is no assurance that Real will be able to maintain its recent agent growth rate or that Real's agent and broker base will continue to expand in future periods. A slowdown in Real's agent growth rate would have a material adverse effect on revenue growth and could adversely affect Real's results of operations.

Real may be unable to effectively manage rapid growth in its business.

Real may not be able to scale its business quickly enough to meet the growing needs of its affiliated real estate professionals and if Real is not able to grow efficiently, its operating results could be harmed. As Real adds new real estate professionals, Real will need to devote additional financial and human resources to improving its internal systems, integrating with third-party systems, and maintaining infrastructure performance. In addition, Real will need to appropriately scale its internal business systems and our services organization, including support of our affiliated real estate professionals as its demographics expand over time. Any failure of or delay in these efforts could cause impaired system performance and reduced real estate professional satisfaction. These issues could reduce the attractiveness of Real to existing real estate professionals who might leave Real as well as resulting in decreased attraction of new real estate professionals. Even if Real is able to upgrade our systems and expand its staff, such expansion may be expensive, complex, and place increasing demands on its management. Real could also face inefficiencies or operational failures as a result of its efforts to scale its infrastructure and Real may not be successful in maintaining adequate financial and operating systems and controls as it expands. Moreover, there are inherent risks associated with upgrading, improving and expanding its information technology systems. Real cannot be sure that the expansion and improvements to our infrastructure and systems will be fully or effectively implemented on a timely basis, if at all. These efforts may reduce Real's revenue and margins and adversely impact its financial results.

Real faces significant risk to its brand and revenue if it fails to maintain compliance with the law and regulations of federal, state, county and foreign governmental authorities, or private associations and governing boards.

Real operates in the real estate industry which is a heavily regulated industry subject to complex, federal, state, provincial and local laws and regulations and third-party organizations' regulations, policies and bylaws.

In general, the laws, rules and regulations that apply to Real's business practices include, without limitation, RESPA, the federal Fair Housing Act, the Dodd-Frank Act, and federal advertising and other laws, as well as comparable state statutes; rules of trade organizations such as NAR, local MLSs, and state and local AORs; licensing requirements and related obligations that could arise from our business practices relating to the provision of services other than real estate brokerage services; privacy regulations relating to our use of personal information collected from the registered users of our websites; laws relating to the use and publication of information through the Internet; and state real estate brokerage licensing requirements, as well as statutory due diligence, disclosure, record keeping and standard-of-care obligations relating to these licenses.

Additionally, the Dodd-Frank Act contains the Mortgage Reform and Anti-Predatory Lending Act ("Mortgage Act"), which imposes a number of additional requirements on lenders and servicers of residential mortgage loans, by amending certain existing provisions and adding new sections to RESPA and other federal laws. It also broadly prohibits unfair, deceptive or abusive acts or practices, and knowingly or recklessly providing substantial assistance to a covered person in violation of that prohibition. The penalties for noncompliance with these laws are also significantly increased by the Mortgage Act, which could lead to an increase in lawsuits against mortgage lenders and servicers.

Maintaining legal compliance is challenging and increases business costs due to resources required to continually monitor business practices for compliance with applicable laws, rules and regulations, and to monitor changes in the applicable laws themselves.

Real may not become aware of all the laws, rules and regulations that govern its business, or be able to comply with all of them, given the rate of regulatory changes, ambiguities in regulations, contradictions in regulations between jurisdictions, and the difficulties in achieving both company-wide and region-specific knowledge and compliance.

If Real fails, or is alleged to have failed, to comply with any existing or future applicable laws, rules and regulations, Real could be subject to lawsuits and administrative complaints and proceedings, as well as criminal proceedings. Non-compliance could result in significant defense costs, settlement costs, damages and penalties.

Real's business licenses could be suspended or revoked, business practices enjoined, or it could be required to modify its business practices, which could materially impair, or even prevent, Real's ability to conduct all or any portion of its business. Any such events could also damage Real's reputation and impair Real's ability to attract and service home buyers, home sellers and agents, as well its ability to attract brokerages, brokers, teams of agents and agents to Real, without increasing its costs.

Further, if Real loses its ability to obtain and maintain all of the regulatory approvals and licenses necessary to conduct business as we currently operate, Real's ability to conduct its business may be harmed. Lastly, any lobbying or related activities Real undertakes in response to mitigate liability of current or new regulations could substantially increase Real's operating expenses.

Real may suffer financial harm and loss of reputation if it does not or cannot comply with applicable laws, rules and regulations concerning the classification and compensation practices for the agents.

Except for employed state brokers, all real estate professionals in Real's brokerage operations have been retained as independent contractors, either directly or indirectly through third-party entities formed by these independent contractors for their business purposes. With respect to these independent contractors, like most brokerage firms, Real is subject to the Internal Revenue Service regulations and applicable state law guidelines regarding independent contractor classification. These regulations and guidelines are subject to judicial and agency interpretation, and it might be determined that the independent contractor classification is inapplicable to any of Real's affiliated real estate professionals. Further, if legal standards for classification of real estate professionals as independent contractors change or appear to be changing, it may be necessary to modify Real's compensation and benefits structure for its affiliated real estate professionals in some or all of its markets, including by paying additional compensation or reimbursing expenses.

In the future, Real could incur substantial costs, penalties and damages, including back pay, unpaid benefits, taxes, expense reimbursement and attorneys' fees, in defending future challenges by its affiliated real estate professionals to our employment classification or compensation practices.

Unanticipated delays or problems associated with Real's products and improvements may cause customer dissatisfaction.

Real's future success is dependent on its ability to continue to develop and expand its products and technologies and to address the needs of its customers. There may be delays in releasing new Real products or technologies in the future - any material delays may cause customers to forego purchases of Real's products to purchase competitors' offerings instead.

Real may need to develop new products and services and rapid technological change could render its systems obsolete.

The industry in which Real operates is characterized by rapid technological change, frequent new product and service introductions and enhancements, uncertain product life cycles, changes in customer requirements, and evolving industry standards. The introduction of new products and new technologies, the emergence of new industry standards, or improvements to existing technologies could render Real's platform obsolete or relatively less competitive.

Real's commercial and financial success depends on market acceptance, and if not achieved will result in Real not being able to generate revenue to support its operations.

The commercial success of Real depends, among other things, on market acceptance. The success of Real's products and any new products and services that it may launch is dependent upon its ability to attract and retain a critical mass of merchants in potentially diverse geographic locations. Competitive pricing and market acceptance also depends on the future pricing and availability of competing products and the perceived comparative efficacy of its products. If Real cannot reach this market, or cannot offer competitive pricing packages, its operating results and revenues will be adversely affected.

If agents and brokers do not understand Real's value proposition Real may not be able to attract, retain and incentivize agents.

Participation in the Resulting Issuer's stock option plan and other incentive plans represents a key component of Real's agent and broker value proposition. Agents and brokers may not understand or appreciate the value of these incentive programs. In addition, agents may not appreciate other components of Real's value proposition including the technology platform, the mobility it affords, the systems and tools that it provide to agents and brokers, among other benefits. If agents and brokers do not understand the elements of Real's service offering, or do not perceive it to be more valuable than the models used by most competitors, Real may not be able to attract, retain and incentivize new and existing agents and brokers to grow its revenues.

Real's operating results are subject to seasonality and vary significantly among quarters during each calendar year, making meaningful comparisons of successive quarters difficult.

Seasons and weather traditionally impact the real estate industry in the jurisdictions where Real operates. Continuous poor weather or natural disasters negatively impact listings and sales. Spring and summer seasons historically reflect greater sales periods in comparison to fall and winter seasons. Real has historically experienced lower revenues during the fall and winter seasons, as well as during periods of unseasonable weather, which reduces Real's operating income, net income, operating margins and cash flow.

Real estate listings precede sales and a period of poor listings activity will negatively impact revenue. Past performance in similar seasons or during similar weather events can provide no assurance of future or current performance, and macroeconomic shifts in the markets Real serves can conceal the impact of poor weather or seasonality.

Real may require additional capital to support its operations or the growth of its business, and it cannot be certain that this capital will be available on reasonable terms when required, or at all.

From time to time, Real may need additional financing to operate or grow its business. The ability to continue as a going concern may be dependent upon raising additional capital from time-to-time to fund operations. Real's ability to obtain additional financing, if and when required, will depend on investor and lender willingness, its operating performance, the condition of the capital markets and other facts, and Real cannot assure anyone that additional financing will be available to it on favorable terms when required, or at all. If Real raises additional funds through the issuance of equity, equity-linked or debt securities, those securities may have rights, preferences or privileges senior to the rights of its current stock, and its existing stockholders may experience dilution. If Real is unable to obtain adequate financing or financing on terms satisfactory to it when it requires it, its ability to continue to support the operation or growth of its business could be significantly impaired and its operating results may be harmed.

Real's growth strategy may not achieve the anticipated results.

Real's future success will depend on its ability to grow its business, including through commercialization of its products. Growth and innovation strategies require significant commitments of management resources and capital investments and Real may not grow its revenues at the rate it expects or at all. As a result, Real may not be able to recover the costs incurred in developing new projects and initiatives or to realize their intended or projected benefits, which could materially adversely affect its business, financial condition or results of operations.

Real faces substantial competition in the future and may not be able to keep pace with the rapid technological changes which may result from others discovering, developing or commercializing products before or more successfully than Real. The activities of competing companies, or others, may limit Real's revenues.

In general the development and commercialization of new SaaS products is highly competitive and is characterized by extensive research and development and rapid technological change. Market share can shift as a result of technological innovation and other business factors. Commercial opportunities for Real's products may be reduced if Real's competitors develop or market products or novel technologies that are more effective, are better tolerated, are more accepted by the market, have better distribution channels, or are less costly than that offered by Real. If those products gain market acceptance, Real's revenue and financial results could be adversely affected. If Real fails to develop new products or enhance existing products, its leadership in the current markets served could erode, and its business, financial condition and results of operations may be adversely affected.

While Real's products are unique and novel technologies, there are a number of indirect competitors in the market. Such competitors include large and small companies that may have significant access to capital resources, competitive product pipelines, substantial research and development staffs and facilities, and substantial experience in the market. Real recognizes the need to invest in research and development to continue to add high-value, differentiated capabilities to expand both the depth and breadth of Real's product offering. Management also recognizes the need to ensure customer satisfaction through all phases of the sales cycle and intends to invest in competitive intelligence and analysis as it relates to the dynamics of the market, as well as in trends in technology and in products as they are introduced into the market. However, Real may not be able to compete with competitors that are more established in the market.

Real depends on highly skilled personnel to grow and operate its business. If Real is not able to hire, retain, and motivate its key personnel, its business may be adversely affected.

Real's success depends in part upon a number of key employees, including members of senior management who have extensive experience in the industry. Competition for talented senior management is intense and Real's ability to successfully develop and maintain a competitive market position will depend in part on its ability to attract and retain highly qualified and experienced management. The loss of the services of key personnel could have a materially adverse effect on Real's business.

Internal control over financial reporting may not prevent or detect misstatements, and projections of any evaluation of effectiveness to future periods may be subject to changes in conditions or deterioration in compliance with procedures.

Real has a limited administrative staff, meaning internal controls which rely on segregation of duties in many cases are not possible. The Resulting Issuer does not have the resources, size and scale to hire additional staff to address this potential weakness at this time. To help mitigate the impact of this, Real relies on the performance of compensating procedures and senior management's review and approval.

As a venture issuer, the Resulting Issuer will not be required to certify the design and evaluation of its disclosure controls and procedure ("**DC&P**") and internal controls over financial reporting ("**ICFR**"), and as such Real has not completed such an evaluation. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in National Instrument 52-109 Certification of Disclosure In Issuers' Annual and Interim Filings may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Israeli preferred technological plant status and related benefits could change.

In January 1, 2017 a new section was issued to the Israeli Investments Law relating to preferred technological income. The section is applicable to industrial companies, including Real that apply further preferred enterprise criteria. Accordingly, the Company is entitled to the benefit and therefore is subjected to a corporate tax rate of 12%. Investors should be aware that changes in the preferred enterprise criteria could result in Real being re- classified as a non-preferred technological plant, which would result in a higher percentage of corporate tax being applied to Real (23% for the years ended December 31, 2019 and 2018).

Statute of Limitations on Real's tax reports for the years ended December 31, 2019 and 2018.

The general statute of limitations on tax reports in Israel is four years, and therefore Real's tax reports for the years ended December 31, 2019 and 2018 can still be assessed by the Israeli Tax Authority, which could result in, among other things, determining that Real is not a preferred technological plant and by such is subject to a higher percentage of corporate tax (23% for the years ended December 31, 2019 and 2018).

If Real fails to develop widespread brand awareness cost-effectively, its business may suffer.

Real believes that developing and maintaining widespread awareness of its brand in a cost-effective manner is critical to achieving widespread acceptance of its products. Real's marketing efforts are directed at growing brand awareness. Brand promotion activities, although they have been successful in the past, may not generate customer awareness or increase revenues, and even if they do, any increase in revenues may not offset the expenses incurred in brand building. If Real fails to successfully promote and maintain its brand, or incur substantial expenses in doing so, Real may fail to attract or retain customers necessary to realize a sufficient return on its brand building efforts, or to achieve the widespread brand awareness that is critical for broad adoption of its products.

Possible failure to realize anticipated benefits of future acquisitions could impact Real's business.

Real may in the future complete acquisitions to strengthen its position in the point-of sale industry and to create the opportunity to realize certain benefits including, among other things, potential cost savings. Achieving the benefits of any future acquisitions depends, in part, on successfully consolidating functions and integrating operations, procedures and personnel in a timely and efficient manner, as well as Real's ability to realize the anticipated growth opportunities and synergies from combining the acquired businesses and operations with its own. The integration of acquired businesses requires the dedication of substantial management effort, time and resources which may divert management's focus and resources from other strategic opportunities and from operational matters during this process. The integration process may result in the loss of key employees and the disruption of ongoing business, customer and employee relationships that may adversely affect Real's ability to achieve the anticipated benefits of these and future acquisitions.

There is intense competition in the SaaS and real estate brokerage industry.

The SaaS industry is highly competitive and rapidly changing. Real may be significantly affected by new product introductions and geographic expansion by existing competition and expects that competition will intensify in the future. Specific factors upon which Real competes include, but are not limited to, functionality of its applications, ease of use, timing for implementation, quality of support and services, and price. Real's potential competitors include other companies selling SaaS services and technology in the search engine marketing and advertising space. Many of these potential competitors have significantly greater financial, technical, marketing and other resources than Real has. Many of them also have longer operating histories, greater name recognition and stronger relationships with merchants and consumers who use or might use a low-value-payment service. Real may not be able to compete successfully with these competitors.

There is inherent technology and development risk in Real's business and industry.

The Real approach utilizes technology principally architected and developed by the company. There can be no assurances that Real will meet its targeted development or integration timelines such that it will be able to offer solutions at competitive pricing, or that Real can continue to enhance and improve the responsiveness, functionality and features of its technology and enable the solutions to scale at a reasonable cost. In addition, there is a risk that third parties may have applied for or been granted patents for certain processes or technology which Real has already deployed or intends to deploy, in which case Real may incur additional costs or be prohibited from using or implementing certain product features or processes in one or more countries. Real solutions incorporate complex technology and software. Accordingly, they may contain errors, or "bugs", that could be detected at any point. Such errors could materially and adversely affect Real's reputation, resulting in claims and/or significant costs to Real, and/or cause consumers, merchants, licensees and other parties to abandon Real's solutions and impair Real's ability to market and sell solutions and services in the future. The costs incurred in correcting any errors and satisfying any such claims may be substantial and could adversely affect Real's operating margins. While Real plans to continually test its solutions for errors and work with customers and merchants through its maintenance support services to identify and correct bugs, errors may be found in the future.

Real maintains data on cloud storage servers, which could be the target of a security breach.

Real's business faces certain security risks. Real's products and services involve storage using cloud-based hosting service and also physical storage. Although data is stored in specialized security groups and are externally encrypted, storage hardware and networking infrastructure is provided by a third party, and security breaches and cyberattacks expose it to a risk of loss of this information, litigation and potential liability. If an actual or perceived breach of security and/or cyberattack occurs, the market perception of the effectiveness of Real's security measures could be harmed, Real could lose users and it may incur significant legal and financial exposure, including legal claims and regulatory fines and penalties. Computer viruses, break-ins, cyberattacks or other security problems could lead to misappropriation of proprietary information and interruptions, delays, or cessation in service to clients. Any failure to adequately address these risks could have an adverse effect on the business and reputation of the Resulting Issuer.

There could be interruptions or delays from cloud servers that could affect Real's products or services.

Real's products and services involve storage using a third-party cloud-based hosting service. Any damage to, or failure of, the hosting service's systems generally could result in interruptions in the use of Real's products or services. Such interruptions may reduce our revenue, cause customers to terminate their subscriptions and adversely our ability to attract new customers. Real's business will also be harmed if its customers and potential customers believe its products or services are unreliable.

Risks Related to Worldwide Economic Conditions

Currency exchange rates fluctuations could adversely affect Real's operating results.

Real is exposed to the effects of fluctuations in currency exchange rates. Since Real conducts some of its business in currencies other than US dollars but reports its operating results in US dollars, it faces exposure to fluctuations in currency exchange rates. Consequently, exchange rate fluctuations between the US dollar and other currencies could have a material impact on Real's operating results.

Downturns in general economic and market conditions may reduce demand for Real's products and could negatively affect Real's revenue, operating results and cash flow.

Recent events in the financial markets have demonstrated that businesses and industries throughout the world are very tightly connected to each other. Thus, financial developments seemingly unrelated to Real or to Real's industry could materially adversely affect Real over the course of time. Volatility in the market could hurt Real's ability to raise capital. Potential price inflation caused by an excess of liquidity in countries where Real conducts business may increase the costs incurred to sell Real's products and may reduce Real's profit margins. As a result of downturns in general economic and market conditions, potential customers may not be interested in purchasing Real products. Any of these events, or other events caused by turmoil in world financial markets may have a material adverse effect on Real's business, operating results and financial conditions.

Real has operations in an emerging market, which carries potential risks to its business.

Emerging market investment generally poses a greater degree of risk than investment in more mature market economies because the economies in the developing world are more susceptible to destabilization resulting from domestic and international developments.

Real's head office operations are in Israel, which has a history of military instability. While there is no current instability, this is subject to change in the future and could adversely affect Real's business, financial condition and results of operations.

In particular, fluctuations in the Israeli economy and actions adopted by the government of Israel may have a significant impact on companies operating in Israel, including Real. Specifically, Real may be affected by inflation, foreign currency fluctuations, regulatory policies, business and tax regulations and in general, by the political, social and economic scenarios in Israel and in other countries that may affect Israel.

Catastrophic events and economic, political and market conditions may impact Real's business.

Real maintains servers at its facility in Oregon, US. Any of its existing and future facilities may be harmed or rendered inoperable by attack or security intrusion by a computer hacker, natural or man-made disasters, including earthquakes, tornadoes, hurricanes, wildfires, floods, nuclear disasters, war, acts of terrorism or other criminal activities, infectious disease outbreaks (including the COVID-19 coronavirus) and power outages, any of which may render it difficult or impossible for Real to operate its business for some period of time. If Real were to lose the data stored in its Oregon facility, it could take days or weeks to recover data from multiple sources, and such delay could result in significant negative impact on its business operations, and potential damage to its advertiser and advertising agency relationships. Any disruptions in Real's operations could negatively impact its business and results of operations, and harm its reputation. In addition, Real may not carry sufficient business interruption insurance to compensate for the losses that may occur. Any such losses or damages could have a material adverse effect on the Resulting Issuer's business, financial condition and results of operations.

Infectious disease outbreaks (including COVID-19, Middle East Respiratory Syndrome, Severe Acute Respiratory Syndrome, H1N1 influenza virus, BSE, avian influenza, or other material outbreaks of disease) could result in restrictions adversely effecting Real's business operations. These restrictions could include prohibitions by REALTOR and MLS on home showings and open houses, limiting face-to-face meetings, and general transportation or isolation orders from government authorities. Such outbreaks may negatively impact the general economy and job markets. The economy and job markets directly affect demand for housing and therefore Real could suffer harm to its business, including, but not limited to, significant revenue decreases, should there be a sustained negative impact on economic conditions as a result of disease outbreak.

Conditions in Israel may affect Real's business, results of operations and financial condition.

Real's head office operations are in Tel Aviv, Israel. Since the establishment of the State of Israel in 1948, a number of armed conflicts have taken place between Israel and its neighboring countries. As a result, Real is vulnerable to the political, economic, legal, regulatory and military conditions affecting Israel and the Middle East. Armed conflicts between Israel and its neighbouring countries and territories occur periodically and a protracted state of hostility has, in the past, resulted in security and economic difficulties for Israel. Any such hostilities or escalation thereof, armed conflicts or violence in the region could adversely affect Real's business, results of operations and financial condition. To date, such conflicts have not had a material effect on business, results of operations or financial condition. In addition, Real may be adversely affected by other events or factors affecting Israel such as the interruption or curtailment of trade between Israel and its trading partners, a significant downturn in the economic or financial condition of Israel, a significant downgrading of Israel's internal credit rating, labour disputes and political instability, including riots and uprisings.

Furthermore, there are a number of countries, primarily in the Middle East, as well as some Muslim countries, including Malaysia and Indonesia that restrict business with Israel or Israeli companies. There may also be certain countries or businesses that may exert pressure on Real's partners, customers or others not to do business with Israel or Israeli companies. Restrictive laws or policies directed towards Israel or Israeli businesses could have a material adverse effect on Real's business, results of operations and financial condition.

Generally, under Israeli law, citizens and permanent residents of Israel are obligated to perform military reserve duty for extended periods of time through the age of 45 (or older for citizens with certain occupations) and are subject to being called to active duty at any time under emergency circumstances. In response to increased hostilities, there have been periods of significant call-ups of military reservists. It is possible that there will be additional call-ups in the future, which may include officers and key personnel of Real, which could disrupt business operations for a significant period of time.

Real must hold various approvals authorizing its activities in Israel. In order for Real to carry on business operations in Israel, it must: (i) be registered with the Registrar of Companies; (ii) be registered with the Israel Tax Authorities; and (iii) hold a business license which is issued by the local municipality in which the business operates. Furthermore, in order to carry on operations in accordance with the International Organization for Standardization ("ISO") standards, Real is also required to hold ISO certificates. Although Real believes that all such required registrations, certificates and licenses are in good standing as of the date of this Filing Statement, if renewals or new permits, business licenses, or approvals are required in connection with Real's activities and are not granted or are delayed, or if existing permits, business licenses or approvals are revoked or substantially modified, Real may suffer a material adverse effect. If new standards are applied to renewals or new applications, it could prove costly to Real to meet any new level of compliance.

Risks Related to Intellectual Property

Real's intellectual property rights are valuable, and any failure or inability to protect them could adversely affect its business.

Real's success depends substantially upon the intellectual property that forms the basis of its products, primarily consisting of unpatented proprietary technology, processes, trade secrets, and know-how, as well as inherent copyright of authorship in the source code developed by Real, and unregistered trademarks. To protect its intellectual property rights, Real relies upon trade secret, copyright, trademark, passing-off laws, and other statutory and common law protections in Israel, the United States, and international markets. Real also protects its intellectual property through the use of non-disclosure agreements and other contracts, disclosure and invention assignment agreements, confidentiality procedures, and technical measures. There can be no assurance that these measures will be successful in any given case, particularly in those countries where the laws do not afford Real protection for its intellectual property rights as robust as those available under Israeli, Canadian, and United States laws. Real may be unable to prevent the misappropriation, infringement or violation of its intellectual property rights, breaching any contractual obligations, or independently developing intellectual property that is similar to its own, any of which could reduce or eliminate Real's competitive advantages, adversely affect Real's revenues, or otherwise harm its business.

Assertions by third parties of infringement or other violations of Real's intellectual property rights could result in significant costs and substantially harm Real's business and operating results.

Third parties may in the future assert claims of infringement, misappropriation or other violations of intellectual property rights against Real. Any such claim against Real, even those without merit could cause Real to incur substantial costs defending against the claim and could distract its management. An adverse outcome of a dispute may require Real to pay substantial damages, cease making, licensing or using solutions that are alleged to infringe or misappropriate the intellectual property of others, expend additional development resources to attempt to redesign its services or otherwise develop non-infringing technology, which may not be successful, or enter into potentially unfavourable royalty or license agreements in order to obtain the right to use technologies or intellectual property rights.

Intellectual property claims are expensive and time consuming to defend and if resolved adversely, could have a significant impact on Real's business, financial condition, and operating results.

Real is actively engaged in enforcement and other activities to protect its intellectual property rights. If it became necessary to resort to litigation to protect these rights, any proceedings could be burdensome, costly and divert the attention of management, and Real may not prevail. Any repeal or weakening of intellectual property laws or diminishment of procedures available for the enforcement of intellectual property rights in Israel, Canada, the United States, or internationally could make it more difficult for Real to adequately protect its intellectual property rights, negatively impacting their value and increasing the cost of enforcing its rights.

If Real is unable to protect the confidentiality of its proprietary information and know-how, the value of its technology and products could be adversely affected.

Real relies upon unpatented proprietary technology, processes, trade secrets and know-how. Any disclosure to or misappropriation by third-parties of its confidential or proprietary information could enable Real's competitors to duplicate or surpass Real's technological achievements, potentially eroding its competitive position in the market, and negatively impacting Real's business and operating results.

Real protects its confidential and proprietary information in part through non-disclosure agreements and other contracts, disclosure and invention assignment agreements, with all employees, consultants, advisors and any third-parties, who have access to its confidential and proprietary information, and employs confidentiality procedures and technical measures, there can be no certainty that these measures or procedures will be sufficient to prevent improper disclosure of such confidential and proprietary information, or to prevent it from falling into the hands of Real's competitors and other third parties. There can be no certainty that parties to contracts used by Real to protect its confidential and proprietary information will not be terminated or breached, and Real may not have adequate remedies for any such termination or breach. Legal remedies may be insufficient or ineffective to meaningfully protect Real's confidential and proprietary information or compensate Real for losses that may occur in the event of unauthorized use or disclosure.

Adverse litigation judgments or settlements resulting from legal proceedings in the normal course of business could reduce Real's profits or limit its ability to operate.

Real is subject to allegations, claims and legal actions arising in the ordinary course of its business, which may include claims by third parties, including employees or regulators. The outcome of many of these proceedings cannot be predicted. If any of these proceedings were to be determined adversely to us, a judgment, a fine or a settlement involving a payment of a material sum of money were to occur, or injunctive relief were issued against Real, its business, financial condition and results of operations could be materially adversely affected.

Risk Related to the Resulting Issuer's Shares

There has been no prior public market for the Resulting Issuer Shares, and an active trading market may not develop.

Prior to the Qualifying Transaction, there has been no active public market for the Resulting Issuer's shares. An active trading market may not develop following Completion of the Qualifying Transaction or, if developed, may not be sustained. The lack of an active market may impair an investor's ability to sell its shares at the time he or she wishes to sell them or at a price that he or she considers reasonable. The lack of an active market may also reduce the fair market value of the Resulting Issuer's Shares. An inactive market may also impair an investor's ability to raise capital by selling its Resulting Issuer Shares and may impair the Resulting Issuer's ability to acquire other companies by using its Resulting Issuer Shares as consideration.

Takeover of the Resulting Issuer

While ADL has not formally adopted a shareholder rights plan, the Resulting Issuer may introduce such a plan at any time, including in the event a takeover bid is made for the Resulting Issuer. The provisions of such a plan could make it more difficult for a third party to acquire a majority of the Common Shares, the effect of which may be to deprive shareholders of a control premium that might otherwise be realized in connection with an acquisition of the Resulting Issuer. Conversely, in the event a shareholder rights plan is not adopted, the Resulting Issuer may be acquired by a third party for a lower price per Common Share than if a shareholder rights plan been in place, as such a plan could allow the Resulting Issuer more time to interest other or competing buyers and thereby realize a higher price per Common Share.

It may be difficult to enforce civil liabilities under Canadian securities laws.

The majority of the directors and officers of the Resulting Issuer and the promoter of the Resulting Issuer will be based in Israel, and most of the Resulting Issuer's assets, and assets of the directors, officers, and the promoter of the Resulting Issuer will be located outside of Canada. Therefore, a judgment obtained against the Resulting Issuer, or any of these persons, including a judgment based on the civil liability provisions of the Canadian securities laws, may not be collectible in Canada and may not be enforced by an Israeli court. It also may be difficult to effect service of process on these persons in Canada or to assert Canadian securities law claims in original actions instituted in Israel. Israeli courts may refuse to hear a claim based on an alleged violation of Canadian securities laws reasoning that Israel is not the most appropriate forum in which to bring such a claim. In addition, even if an Israeli court agrees to hear a claim, it may determine that Israeli law and not Canadian law is applicable to the claim. If the Canadian law is found to be applicable, the content of applicable Canadian law must be proven as a fact by expert witnesses, which can be a time consuming and costly process. Certain matters of procedure will also be governed by Israeli law. There is little binding case law in Israel that addresses the matters described above. As a result of the difficulty associated with enforcing a judgment against the Resulting Issuer or the Resulting Issuer in Israel, it may be difficult to collect any damages awarded by either a Canadian or a foreign court.

Significant sales of Resulting Issuer Shares after the expiry of lock-up or escrow restrictions could adversely affect the market price of the Resulting Issuer Shares.

Although Common Shares held by existing shareholders and Resulting Issuer Shares issued in connection with the Completion of the Qualifying Transaction will be freely tradable, the Resulting Issuer Shares held by certain directors, executive officers and Control Persons of the Resulting Issuer will be subject to escrow pursuant to the policies of the Exchange. Sales of a substantial number of the Resulting Issuer Shares in the public market after the expiry of lock-up or escrow restrictions, or the perception that these sales could occur, could adversely affect the market price of the Resulting Issuer Shares, and may make it more difficult for investors to sell Resulting Issuer at a favourable time and price.

The Resulting Issuer will not have any control over the research and reports that securities or industry analysts publish about the Resulting Issuer or its business.

The trading market for the Resulting Issuer Shares will, to some extent, depend on the research and reports that securities or industry analysts publish about the Resulting Issuer or its business. The Resulting Issuer will not have any control over these analysts. If one or more of the analysts who covers the Resulting Issuer should downgrade the Resulting Issuer Shares or change their opinion of the Resulting Issuer's business prospects, the Resulting Issuer's share price would likely decline. If one or more of these analysts ceases coverage of the Resulting Issuer or fails to regularly publish reports on the Resulting Issuer, the Resulting Issuer could lose visibility in the financial markets, which could cause the Resulting Issuer's share price or trading volume to decline.

The foregoing document constitutes full, true and plain disclosure of all material facts relating to the securities of ADL Ventures Inc. ("**ADL**"), assuming Completion of the Qualifying Transaction.

DATED May 26, 2020.

(signed) *"Laurence Rose"*	(signed) *"Philip Porat"*
Laurence Rose	Philip Porat
Chief Executive Officer	Chief Financial Officer

On behalf of the Board of Directors

(signed) *"Alan Simpson"*	(signed) *"Daniel Goodman"*
Alan Simpson	Daniel Goodman
Director	Director

CERTIFICATE OF REAL TECHNOLOGY BROKER LTD.

The foregoing, as it relates to Real Technology Broker Ltd. ("**Real**"), constitutes full, true and plain disclosure of all material facts relating to the securities of Real.

DATED May 26, 2020.

(signed) *"Tamir Poleg"*	(signed) *"Gus Patel"*
Tamir Poleg	Gus Patel
Title: Chief Executive Officer	Title: Chief Financial Officer

On behalf of the Board of Directors

(signed) *"Tamir Poleg"*	(signed) *"Guy Gamzu"*
Tamir Poleg	Guy Gamzu
Title: Director	Title: Director

ADL VENTURES INC.

Financial Statements

For the year ended December 31, 2019 and the 307-day period ended December 31, 2018
(Expressed in Canadian Dollars)

Smythe CPA

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF ADL VENTURES INC.

Opinion

We have audited the financial statements of ADL Ventures Inc. (the "Company"), which comprise:

- the statements of financial position as at December 31, 2019 and 2018;
- the statements of comprehensive loss for the year ended December 31, 2019 and the 307-day period ended December 31, 2018;
- the statements of changes in shareholders' equity for the year ended December 31, 2019 and the 307- day period ended December 31, 2018;
- the statements of cash flows for the year ended December 31, 2019 and the 307-day period ended December 31, 2018; and
- the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2019 and 2018, and its financial performance and its cash flows for the year ended December 31, 2019 and the 307-day period ended December 31, 2018 in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial statements, which indicates that the Company incurred a net loss of $74,133 during the year ended December 31, 2019 and, as of that date, the Company has a deficit of $221,599. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises of Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon. In connection with our audits of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, and remain alert for indications that the other information appears to be materially misstated.

We obtained the Management's Discussion and Analysis prior to the date of this auditors' report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditors' report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditors' report is Michelle Chi Wai So.

Smythe LLP

Chartered Professional Accountants

Vancouver, British Columbia
February 18, 2020

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ADL VENTURES INC.
Statements of Financial Position
(Expressed in Canadian Dollars)

As at December 31	2019	2018
Assets		
Current		
Cash and cash equivalents	$ 460,592	$ 488,398
Liabilities and Shareholders' Equity		
Liabilities		
Current		
Accounts payable	$ 65,565	$ 13,543
Accrued liabilities	-	5,695
	65,565	19,238
Shareholders' Equity		
Share capital (note 4)	519,973	519,973
Reserves	96,653	96,653
Deficit	(221,599)	(147,466)
	395,027	469,160
Total Liabilities and Shareholders' Equity	$ 460,592	$ 488,398

Approved on behalf of the Board on February 18, 2020 by:

Laurence Rose (signed)
Laurence Rose, Director

Alan Simpson (signed)
Alan Simpson, Director

The accompanying notes are an integral part of these financial statements.

ADL VENTURES INC.
Statements of Comprehensive Loss
(Expressed in Canadian Dollars)

		Year Ended, December 31, 2019		307-Day Period Ended December 31, 2018
Operating Expenses				
Regulatory and filing fees	$	13,019	$	29,881
Professional fees (note 1)		69,951		36,694
General and administrative		304		107
Share-based compensation (note 4)		-		80,784
	$	(83,274)	$	(147,466)
Other Item				
Interest income		9,141		-
Net Loss and Comprehensive Loss	$	(74,133)	$	(147,466)
Basic and diluted loss per share	$	(0.01)	$	(0.02)
Weighted average number of shares outstanding		9,100,000		7,930,619

ADL VENTURES INC.
Statements of Changes in Shareholders' Equity
(Expressed in Canadian Dollars)

	Number of Outstanding Shares	Share Capital	Deficit	Reserves	Total Shareholders' Equity
Balance, February 27, 2018 (incorporation)	**1**	**$ -**	**$ -**	**$ -**	**$ -**
Common share cancelled	(1)	-	-	-	-
Shares issued for cash	9,100,000	605,000	-	-	605,000
Share issuance costs	-	(85,027)	-	15,869	(69,158)
Share-based compensation	-	-	-	80,784	80,784
Net loss for the period	-	-	(147,466)	-	(147,466)
Balance, December 31, 2018	**9,100,000**	**$ 519,973**	**$ (147,466)**	**$ 96,653**	**$ 469,160**
Net loss for the year	-	-	(74,133)	-	(74,133)
Balance, December 31, 2019	**9,100,000**	**$ 519,973**	**$ (221,599)**	**$ 96,653**	**$ 395,027**

The accompanying notes are an integral part of these financial statements.

ADL VENTURES INC.
Statements of Cash Flows
(Expressed in Canadian Dollars)

	Year Ended December 31, 2019	307-Day Period Ended December 31, 2018
Cash Provided by (Used in)		
Operating Activities		
Net loss	$ (74,133)	$ (147,466)
Item not affecting cash:		
Share-based compensation	-	80,784
Changes to non-cash working capital		
Accounts payable and accrued liabilities	46,327	19,238
Net cash used in operating activities	(27,806)	(47,444)
Financing Activities		
Proceeds from the issuance of common shares	-	605,000
Share issuance costs	-	(69,158)
Net cash provided by financing activities	-	535,842
Increase (decrease) in cash	(27,806)	488,398
Cash balance, beginning of period	488,398	-
Cash balance, end of period	$ 460,592	$ 488,398
Supplemental disclosure of non-cash transactions		
Agent options included in share issuance costs	$ -	$ 15,869
Amounts paid for interest	$ -	$ -
Amounts paid for taxes	$ -	$ -
Cash and cash equivalents consist of:		
Cash	$ 1,451	$ 488,398
Guaranteed investment certificate	459,141	-
	$ 460,592	$ 488,398

There were no cash investing activities during the year ended December 31, 2019 and the 307-day period ended December 31, 2018.

The accompanying notes are an integral part of these financial statements.

1. Nature of Operations and Going Concern

ADL Ventures Inc. (the "Company") was incorporated under the Business Corporations Act (British Columbia) on February 27, 2018 and is a capital pool company ("CPC"), as defined in TSX Venture Exchange ("TSX-V") Policy 2.4 ("Policy 2.4"). The Company's objective is to identify and evaluate companies, businesses, properties, or assets for acquisition and once identified and evaluated, to negotiate an acquisition or participation subject to receipt of shareholder and regulatory approval (the "Qualifying Transaction").

The Company's registered office address is Suite 1700 - 666 Burrard Street, Vancouver, British Columbia V6C 2X8 and its principal place of business is Suite 901 - 175 Bloor Street East, North Tower, Toronto, Ontario, M4W 3R8.

These financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. As at December 31, 2019, the Company has a deficit of $221,599 (2018 - $147,466). For the year ended December 31, 2019, the Company incurred a net loss of $74,133 (307-day period ended December 31, 2018 - $147,466). There are material uncertainties that may cast significant doubt about the appropriateness of the going concern assumption as the Company has not generated any revenues. The Company's continuing operations as intended are dependent upon the Company's ability to complete a Qualifying Transaction within 24 months of being listed on the TSX-V. Such an acquisition will be subject to shareholder and regulatory approval. In the case of a non- arm's length transaction (as defined in Policy 2.4) a majority of the minority shareholder approval must also be obtained. Should the Company fail to complete a Qualifying Transaction, its ability to raise sufficient financing to maintain operations may be impaired, and accordingly, the Company may be unable to realize the carrying value of its net assets. These financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

On August 13, 2019, the Company announced that it entered into a binding letter of intent with Real Technology Broker Ltd. ("Real") a private company incorporated under the laws of Israel, whereby the Company will acquire all of the issued and outstanding securities of Real by way of a share exchange, arrangement, amalgamation or similar transaction to ultimately form the resulting issuer who will continue on the business of Real. The Company intends that the transaction will constitute its Qualifying Transaction, as such term is defined in the policies of the TSX-V. During the year ended December 31, 2019, the Company incurred $34,746 (307-day period ended December 31, 2018 - $nil) in legal fees relating to the proposed Qualifying Transaction.

2. Basis of Presentation

(a) Statement of compliance

These financial statements are prepared in accordance with International Financial Reporting Standards

("IFRS") as issued by the International Accounting Standards Board ("IASB").

The financial statements of the Company for the year ended December 31, 2019 were reviewed by the Audit Committee and approved and authorized for issue by the Board of Directors on February 18, 2020.

2. Basis of Presentation (Continued)

(b) Basis of presentation

These financial statements have been prepared on a historical cost basis, except for certain financial instruments classified as financial instruments at fair value through profit or loss, which are stated at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. These financial statements are presented in Canadian dollars, which is the Company's functional currency.

3. Significant Accounting Policies

(a) Financial instruments

(i) Financial assets

Initial recognition and measurement

On initial recognition, a financial asset is classified as measured at amortized cost or fair value through profit or loss. A financial asset is measured initially at fair value less, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue. A financial asset is measured at amortized cost if it meets the conditions that:

i) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows;
ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding; and
iii) is not designated as fair value through profit or loss.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at fair value through profit or loss

Financial assets measured at fair value through profit or loss are carried in the statement of financial position at fair value with changes in fair value therein, recognized in profit or loss. The Company classifies cash and cash equivalents as fair value through profit or loss.

Financial assets measured at amortized cost

A financial asset is subsequently measured at amortized cost, using the effective interest method and net of any impairment allowance.

There are no financial assets classified as measured at amortized cost.

3. Significant Accounting Policies (Continued)

(a) Financial instruments (Continued)

(ii) Derecognition

A financial asset or, where applicable, a part of a financial asset or part of a group of similar financial assets is derecognized when:

- the contractual rights to receive cash flows from the asset have expired; or
- the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset; or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

(iii) Financial liabilities

Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument. A financial liability is derecognized when it is extinguished, discharged, cancelled or when it expires. Financial liabilities are classified as either financial liabilities at fair value through profit or loss or financial liabilities subsequently measured at amortized cost. All interest- related charges are reported in profit or loss within interest expense, if applicable. The Company's financial liabilities included accounts payable and accrued liabilities.

(iv) Fair value hierarchy

Fair value measurements of financial instruments are required to be classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The levels of the fair value hierarchy are defined as follows:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 - Inputs for assets or liabilities that are not based on observable market data.

The carrying value of cash and cash equivalents and accounts payable and accrued liabilities approximates their fair value due to the short-term maturity of these instruments.

(b) Cash and cash equivalents

Cash and cash equivalents consist of cash and guaranteed investments certificates that are readily convertible to known amounts of cash with original maturities of 12 months or less.

3. Significant Accounting Policies (Continued)

(c) Common shares

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares are classified as equity instruments. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

(d) Earnings (loss) per share

The Company presents basic and diluted earnings (loss) per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of shares outstanding during the period. Diluted earnings (loss) per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is antidilutive.

Shares held in escrow, other than where their release is subject to the passage of time, are not included in the calculation of the weighted average number of common shares outstanding.

(e) Income taxes

Tax provisions are recognized when it is considered probable that there will be a future outflow of funds to a taxing authority. In such cases, a provision is made for the amount that is expected to be settled, where this can be reasonably estimated. This requires the application of judgment as to the ultimate outcome, which can change over time depending on facts and circumstances. A change in estimate of the likelihood of a future outflow and/or in the expected amount to be settled would be recognized in income in the period in which the change occurs.

Deferred tax assets or liabilities, arising from temporary differences between the tax and accounting values of assets and liabilities, are recorded based on tax rates expected to be enacted when these differences are reversed. Deferred tax assets are recognized only to the extent it is considered probable that those assets will be recovered. This involves an assessment of when those deferred tax assets are likely to be realized, and a judgment as to whether there will be sufficient taxable profits available to offset the tax assets when they do reverse. This requires assumptions regarding future profitability and is therefore inherently uncertain. To the extent assumptions regarding future profitability change, there can be an increase or decrease in the amounts recognized in respect of deferred tax assets, as well as in the amounts recognized in income in the period in which the change occurs.

Tax provisions are based on enacted or substantively enacted laws. Changes in those laws could affect amounts recognized in income both in the period of change, which would include any impact on cumulative provisions, and in future periods.

3. Significant Accounting Policies (Continued)

(f) Share-based compensation

The Company records all share-based compensation at fair value. Where equity instruments are granted to employees, they are recorded at the fair value of the equity instrument granted at the grant date. The grant date fair value is recognized through profit or loss over the vesting period, described as the period during which all the vesting conditions are to be satisfied.

Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received. When the value of goods or services received in exchange for the share-based compensation cannot be reliably estimated, the fair value is measured by use of a valuation model.

Options and warrants issued as consideration in connection with common share placements are recorded at their fair value on the date of issuance as share issuance costs. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of stock options expected to vest. On the exercise of stock options, agent options and warrants, share capital is recorded for the consideration received and for the fair value amounts previously recorded to share-based compensation reserve. The Company uses the Black-Scholes option pricing model to estimate the fair value of share- based compensation.

(g) Use of estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may vary from these estimates.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Accounting estimates will, by definition, seldom equal the actual results. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future years affected.

Critical accounting estimates

Critical accounting estimates are estimates and assumptions made by management that may result in material adjustments to the carrying amounts of assets and liabilities within the next financial year. Critical accounting estimates include, but are not limited to, the following:

Income tax

The measurement of income taxes payable and deferred income tax assets and liabilities requires management to make estimates in the interpretation and application of the relevant tax laws. The actual amount of income taxes only becomes final upon filing and acceptance of the tax return by the relevant tax authorities, which occurs subsequent to the issuance of the financial statements.

3. Significant Accounting Policies (Continued)

(g) Use of estimates and judgments (continued) Share-based compensation

The fair value of stock options granted and compensatory warrants is measured using the Black-Scholes option pricing model. Measurement inputs include share price on measurement date, exercise price of the option, expected volatility, expected life of the options, expected dividends and the risk-free rate. The Company estimates volatility based on historical share price of comparable companies, excluding specific time frames in which volatility was affected by specific transactions that are not considered to be indicative of the entities' expected share price volatility. The expected life of the options is based on historical experience and general option holder behavior. Dividends were not taken into consideration as the Company does not expect to pay dividends. Management also makes an estimate of the number of options that will forfeit and the rate is adjusted to reflect the actual number of options that actually vest.

Critical accounting judgments

Critical accounting judgments are accounting policies that have been identified as being complex or involving subjective judgments or assessments. Critical accounting judgments include, but are not limited to, the following:

Going concern

The assessment of whether the going concern assumption is appropriate requires management to take into account all available information about the future, which is at least, but not limited to, 12 months from the end of the reporting period. The Company is aware that material uncertainties exist related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

Changes in accounting policies - Leases

The Company adopted the requirements of IFRS 16 effective January 1, 2019. This new standard replaces IAS 17 Leases and the related interpretative guidance. IFRS 16 applies a control model to the identification of leases, distinguishing between a lease and a service contract on the basis of whether the customer controls the asset being leased. For those assets determined to meet the definition of a lease, IFRS 16 introduces significant changes to the accounting by lessees, introducing a single, on-balance sheet accounting model that is similar to the current accounting for finance leases, with limited exceptions for short-term leases or leases of low value assets. Lessor accounting will be substantially changed. As at January 1, 2019, the Company held no leases and therefore no adjustment was required.

4. Share Capital

(a) Authorized - Unlimited number of common shares without par value.

(b) Issued and outstanding

The Company issued 6,100,000 founders' common shares which are held in escrow following the Company's initial public offering. The escrowed shares were issued for $0.05 per share to officers and directors of the Company for total proceeds of $305,000. These shares will be released pro rata to the shareholders as to 10% upon issuance of the Final Exchange Bulletin in accordance with Policy 2.4, with the remainder being released in six equal tranches of 15% every six months thereafter for a period of 36 months.

On June 25, 2018, the Company successfully completed its initial public offering of 3,000,000 common shares at a price of $0.10 resulting in gross proceeds of $300,000 and received Final Exchange Bulletin. The Company incurred $85,027 of share issuance costs, including agent options valued at $15,869 (note 4c). Pursuant to the polices of the TSX-V, the proceeds raised from the issuance of common shares may only be used to identify and evaluate assets or businesses for future investment, with the exception that not more than the lesser of 30% of the gross proceeds from the issuance of shares or $210,000 may be used to cover prescribed costs of issuing the common shares or administrative and general expenses of the Company. These restrictions apply until completion of the Qualifying Transaction by the Company as defined under the policies of the TSX-V. Upon completion of the Offering, the Company had 9,100,000 common shares issued and outstanding, which common shares commenced trading on the TSX-V under the symbol "AVI.P".

No shares were issued during the year ended December 31, 2019.

(c) Agents' options

The following table summarizes the Company's agent options activity:

	Number of Agents' Options	Weighted Average Exercise Price
Balance, February 27, 2018 (incorporation)	-	-
Granted	300,000	$0.10
Balance, December 31, 2018 and December 31, 2019	300,000	$0.10

Pursuant to an Agency Agreement between the Company and PI Financial Corp. (the "Agent"), the Agent was granted non-transferable agent options to purchase up to 300,000 common shares at a price of $0.10 per common share, exercisable for a period of 24 months from June 25, 2018. As at December 31, 2019, the weighted average remaining life of the outstanding agent options is 0.48 years (2018 - 1.48 years).

The weighted average fair value of the agent options was estimated at approximately $0.05 per option at the grant date using the Black-Scholes Pricing Model using the following assumptions: no expected dividends to be paid; volatility of 100% based on industry standard for comparable companies without a historical volatility; risk-free interest rate of 1.77%; and expected life of 2 years.

4. Share Capital (Continued)

(d) Stock options

The Incentive Stock Option Plan provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with TSX-V requirements, grant to directors, officers and technical consultants to the Company, non-transferable options to purchase common shares, exercisable for a period of up to ten years from the date of grant, provided that, until the completion of the Qualifying Transaction the number of common shares reserved for issuance shall not exceed 900,000. Options granted to any optionee that does not continue as a director, officer, technical consultant or employee of the Company may be exercised the greater of 12 months after the completion of the Qualifying Transaction and 90 days following the cessation of the optionee's position with the Company, provided that if the cessation of office, directorship or technical consulting arrangement was by reason of death, the option may be exercised within a maximum period of one year after such death, subject to the expiry date of such option.

Pursuant to Policy 2.4 of the TSX-V, prior to the completion of the Qualifying Transaction, certain additional restrictions respecting the grant of stock options apply to the Company:

- The total number of common shares reserved under option for issuance may not exceed 10% of the common shares outstanding as at the closing of the Initial Public Offering ("IPO"). The number of common shares reserved under option for issuance to any individual director or officer may not exceed 5% of the common shares outstanding after closing of the IPO.
- Other than directors and officers, options may only be issued to technical consultants required to assist the Company in reviewing potential Qualifying Transactions. The number of common shares reserved under option for issuance to all technical consultants may not exceed 2% of the common shares to be outstanding after closing of the IPO.
- Options may not be issued to any persons providing investor relations, promotion or market making services.

The following is a summary of changes in stock options from February 27, 2018 (incorporation) to December 31, 2019:

	Number of Options	Weighted Average Exercise Price
Balance, February 27, 2018 (incorporation)	-	-
Granted	900,000	$0.10
Balance outstanding and exercisable, December 31, 2018 and December 31, 2019	900,000	$0.10

On June 25, 2018, the Company granted 900,000 stock options with an exercise price of $0.10 per share and expiry date of June 25, 2028. These stock options were vested immediately. As at December 31, 2019, the weighted average remaining life of the outstanding agent options is 8.49 years (2018 - 9.49 years).

The weighted average fair value of the options was estimated at approximately $0.09 per option at the grant date using the Black-Scholes Pricing Model using the following assumptions: no expected dividends to be paid; volatility of 100% based on industry standard for comparable companies without a historical volatility; risk- free interest rate of 2.09%; and expected life of 10 years.

4. Share Capital (Continued)

Total share-based compensation recorded during the year ended December 31, 2019 was $nil (307-day period ended December 31, 2018 - $80,784).

5. Financial Instruments

Fair value

As at December 31, 2019, the Company's financial instruments consist of cash and cash equivalents and accounts payable and accrued liabilities. The fair values of these financial instruments approximate their carrying values because of their current nature.

IFRS 13, *Fair Value Measurement*, establishes a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used to measure fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. IFRS 13 prioritizes the inputs into three levels that may be used to measure fair value:

Level 1 - Unadjusted quoted prices in active markets that are accessible at the measurement date for identical unrestricted assets or liabilities.

Level 2 - Inputs that are observable, either directly or indirectly, but do not qualify as Level 1 inputs (i.e. quoted prices for similar assets or liabilities).

Level 3 - Prices or valuation techniques that are not based on observable market data and require inputs that are both significant to the fair value measurement and unobservable.

The Company is exposed to varying degrees to a variety of financial instrument related risks:

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk for the Company is associated with its cash and cash equivalents. The Company is not exposed to significant credit risk as its cash and cash equivalents is placed with a major Canadian financial institution.

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. At December 31, 2019, the Company has sufficient funds to meet its obligations of $65,565 (2018 - $19,238). The Company's accounts payable have contractual maturities of less than 30 days and are subject to normal trade terms.

(c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk comprises three types of risk: foreign currency risk, interest rate risk and other price risk. The Company is not exposed to significant market risk.

6. Capital Management

The Company is actively looking to acquire an interest in a business or assets and this involves a high degree of risk. The Company has not determined whether it will be successful in its endeavours and does not generate cash flows from operations. The Company's primary source of funds comes from the issuance of common shares. The Company does not use other sources of financing that require fixed payments of interest and principal due to lack of cash flow from current operations and is not subject to any externally imposed capital requirements.

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern.

The Company defines its capital as shareholders' equity. Capital requirements are driven by the Company's general operations. To effectively manage the Company's capital requirements, the Company monitors expenses and overhead to ensure costs and commitments are being paid.

7. Related Party Transactions

Related parties include the Board of Directors, close family members and enterprises which are controlled by these individuals as well as persons performing similar functions.

During the year ended December 31, 2019, share-based compensation for stock options of $nil (307-day period ended December 31, 2018 - $80,784) was granted to officers and directors of the Company. There was no other remuneration paid to key management personnel during the period.

8. Income Taxes

The following table reconciles the amount of income tax expense on application of the combined statutory Canadian federal and provincial income tax rates:

		2019		2018
Net loss for the year	**$**	**(74,133)**	$	(147,466)
Statutory rates		**27.00%**		26.00%
Income tax recovery at statutory rate		**(20,016)**		(38,341)
Items not deducted for income tax purposes		**-**		21,121
Effect of change in tax rates		**(1,354)**		-
Under(over)provided in prior years		**(122)**		-
Unused tax losses and tax offsets not recognized		**21,492**		17,220
Income tax expense	**$**	**-**	$	-

The Company recognizes tax benefits on losses or other deductible amounts generated where it is probable the Company will generate future taxable income to be able to utilize those tax assets. The Company's unused tax losses for which no deferred tax asset is recognized is approximately $209,000.

The Company has non-capital losses for Canadian tax purposes of approximately $168,000 available for carry- forward to reduce future years' taxable income and will expire in 2038 and 2039. The Company also has deductible share issuance costs of approximately $41,000.

ADL VENTURES INC.

MANAGEMENT DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2019

This management discussion and analysis ("MD&A") of ADL Ventures Inc. ("ADL", the "Company", "we", "our") is for the year ended December 31, 2019 and is prepared by management using information available as of February 18, 2020. We have prepared this MD&A with reference to National Instrument 51-102 - Continuous Disclosure Obligations of the Canadian Securities Administrators. This MD&A should be read in conjunction with the Company's audited financial statements for the year ended December 31, 2019, and the related notes thereto. The Company's financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). This MD&A complements and supplements, but does not form part of, the Company's financial statements. All amounts are expressed in Canadian dollars unless otherwise indicated.

Forward-Looking Statements

Certain statements contained in this MD&A may constitute forward-looking statements. These statements relate to future events or the Company's future performance. All statements, other than statements of historical fact, may be forward-looking statements and are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "propose", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward- looking statements. The Company believes that the expectations reflected in these forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this MD&A should not be unduly relied upon by investors as actual results may vary. These statements speak only as of the date of this MD&A and are expressly qualified, in their entirety, by this cautionary statement. The Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of various risk factors.

The Company

ADL Ventures Inc. was incorporated under the Business Corporations Act (British Columbia) on February 27, 2018 and is a capital pool company ("CPC"), as defined in TSX Venture Exchange ("TSX-V") Policy 2.4 ("Policy 2.4"). The Company proposes to identify and evaluate companies, businesses, properties, or assets for acquisition and once identified and evaluated, to negotiate an acquisition or participation subject to receipt of shareholder and regulatory approval (the "Qualifying Transaction").

The Company's registered office address is Suite 1700 - 666 Burrard Street, Vancouver, British Columbia V6C 2X8 and its principal place of business is Suite 901 - 175 Bloor Street East, North Tower, Toronto, Ontario, M4W 3R8.

On June 25, 2018, the Company successfully completed its initial public offering ("IPO") of 3,000,000 common shares at a price of $0.10 resulting in gross proceeds of $300,000. Pursuant to the polices of the TSX-V, the proceeds raised from the issuance of common shares may only be used to identify and evaluate assets or businesses for future investment, with the exception that not more than the lesser of 30% of the gross proceeds from the issuance of shares, or $210,000, may be used to cover prescribed costs of issuing the common shares or administrative and general expenses of the Company. These restrictions apply until completion of the Qualifying Transaction by the Company as defined under the policies of the TSX-V. Upon completion of the Offering, the Company had 9,100,000 common shares issued and outstanding.

The Company's common shares commenced trading on the TSX-V under the symbol "AVI.P" on July 6, 2018.

Significant Event

On August 13, 2019, the Company announced that it entered into a binding letter of intent with Real Technology Broker Ltd. ("Real") a private company incorporated under the laws of Israel, whereby ADL will acquire all of the issued and outstanding securities of Real by way of a share exchange, arrangement, amalgamation or similar transaction to ultimately form the resulting issuer who will continue on the business of Real. ADL intends that the transaction will constitute its Qualifying Transaction, as such term is defined in the policies of the TSX-V.

Real is a technology driven national real estate brokerage platform primarily operating in the United States through a network of approximately 1,100 agents. Real has a unique operational model providing teams and agents' freedom, flexibility, success tools, long term security and a sense of community to build their reputations and professional assets with the help of a leading-edge digital platform built from the ground up for their success.

Results of Operations

At December 31, 2019, the Company had no continuing source of operating revenues and related expenditures.

Results for year ended December 31, 2019

For the year ended December 31, 2019, the Company recorded a net loss of $74,133 (307-day period ended December 31, 2018 - $147,466). The decrease in the net loss of $73,333 is mainly due to the following changes:

- Share-based compensation decreased from $80,784 in the comparative period to $nil in the year ended December 31, 2019 due to the 900,000 stock options being granted and vested in the prior year.
- Professional fees increased by $33,257 from the prior year to $69,951 in the year ended December 31, 2019 due to activity related to the binding letter of intent with Real.
- Regulatory and filing fees decreased by $16,862 from the prior year to $13,019 in the year ended December 31, 2019 due to costs related to SEDAR and the TSX-V in the prior year as a result of the Company completing its prospectus and IPO.

Results for three months ended December 31, 2019

For the three months ended December 31, 2019, the Company recorded a net loss of $9,307 (2018 - $21,995). The decrease in the net loss of $12,688 is mainly due to the following changes:

- Regulatory and filing fees decreased by $18,353 from the comparative period to $nil in the three months ended December 31, 2019 due costs related to registering the Company on SEDAR and the Toronto Stock Exchange in the prior year. There were no comparable expenses in the three months ended December 31, 2019.
- Professional fees increased by $7,946 from the comparative period to $11,556 in the three months ended December 31, 2019 due to activity related to the binding letter of intent with Real.

Annual Financial Information

The following table sets forth selected financial information for the year ended December 31, 2019 ("Fiscal 2019") and the 307-day period ended December 31, 2018 ("Fiscal 2018"). The selected financial information set out below has been derived from the audited annual financial statements and accompanying notes, in each case prepared in accordance with IFRS. The selected financial information set out below may not be indicative of the Company's future performance. The following discussion should be read in conjunction with the financial statements.

	Fiscal 2019	Fiscal 2018
Total revenue	$ -	$ -
Net loss for the fiscal year	(74,133)	(147,466)
Loss per share, basic and fully diluted	(0.01)	(0.02)
Total assets	460,592	488,398
Total non-current financial liabilities	-	-
Cash dividends declared per common share	-	-

Due the limited operating history of the Company, only two fiscal years have been reported.

Summary of Quarterly Financial Results

The following is a summary of selected financial information compiled from the eight recent quarterly interim unaudited financial statements ended December 31, 2019:

Period	Net loss for the period $	Loss per share $
March 31, 2018	-	-
June 30, 2018	(110,450)	(0.01)
September 30, 2018	(15,021)	(0.00)
December 31, 2018	(21,995)	(0.00)
March 31, 2019	(18,269)	(0.00)
June 30, 2019	(13,548)	(0.00)
September 30, 2019	(33,009)	(0.00)
December 31, 2019	(9,307)	(0.00)

The variability of the net loss during the seven most recent quarters is mainly due to significant expenses related to activities and services utilized in connection to the Company's completion of the prospectus and completion of the IPO during the quarter ended June 30, 2018. During the three months ended September 30, 2019, there was an increase in the net loss of $19,461 from the quarter ended June 30, 2019 due to increased legal expenses related to the binding letter of intent with Real. During the three months ended December 31, 2019, the net loss decreased by $23,702 when compared to the three months ended September 30, 2019 due to a decrease in legal fees related to the binding letter of intent.

Due to limited historical activity in the Company, no trends have been noted in reviewing the summary of selected financial information for the eight quarters ended December 31, 2019.

The Company has not earned any revenue since inception.

Liquidity and Capital Resources

The Company has financed its operations to date through the issuance of common shares. The Company continues to seek capital through various means including the issuance of equity and/or debt.

At December 31, 2019, the Company had cash and cash equivalents on hand of $460,592 (December 31, 2018 - $488,398) to meets is obligations of $65,565 (December 31, 2018 - $19,238).

The Company estimates that $450,000 of the cash and cash equivalents on hand will be used for evaluating and acquiring assets. The Company estimates that the remaining cash and cash equivalents will be used for general and administrative expenses until the completion of a Qualifying Transaction.

Outstanding Share Data

As of the date of this MD&A, 9,100,000 common shares were issued and outstanding (December 31, 2019 - 9,100,000). The outstanding securities and options have been summarized in the following table:

	As at the date of this MD&A	As at December 31, 2019
Common shares issued and outstanding	9,100,000	9,100,000
Agents' options	300,000	300,000
Stock options	900,000	900,000

The Company also granted the directors' and officers' stock options at closing of the Offering, which will entitle the holders to purchase an aggregate of up to 900,000 Common Shares at a price of $0.10 per common share for a period of 10 years from the date of grant, in accordance with the policies of the TSX-V. As at December 31, 2019, the 900,000 stock options are still outstanding.

Pursuant to an Agency Agreement between the Company and PI Financial Corp. (the "Agent"), the Agent was granted non-transferable agent options to purchase up to 300,000 common shares at a price of $0.10 per common share, exercisable for a period of 24 months from the date the common shares commenced trading on the TSX-V. As at December 31, 2019, the 300,000 agent options are still outstanding.

Related Party Transactions

During the year ended December 31, 2019, no related party transactions occurred.

During the 307-day period ended December 31, 2018, the following related party transactions occurred:

- The Chief Executive Officer/Chairman was granted 225,000 stock options with a fair value of $20,196.
- The Chief Financial Officer/Corporate Secretary was granted 225,000 stock options with a fair value of $20,196.
- A Director of the Company was granted 225,000 stock options with a fair value of $20,196.
- A Director of the Company was granted 225,000 stock options with a fair value of $20,196.

Off-Balance Sheet Arrangements

The Company has not had any off-balance sheet arrangements from the date of its incorporation to the date of this MD&A.

Proposed Transactions

Other than the above noted Significant Event, there are at present no transactions outstanding that have been proposed but not approved by either the Company or regulatory authorities.

Capital Management

The Company's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

The Company includes equity, comprised of share capital, reserves and deficit, in the definition of capital.

The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the identification and evaluation of potential acquisitions. To secure the additional capital necessary to pursue these plans, the Company may attempt to raise additional funds through the issuance of equity or by securing strategic partners.

The proceeds raised from the issuance of common shares may only be used to identify and evaluate assets or businesses for future investment, with the exception that not more than the lesser of 30% of the gross proceeds from the issuance of shares, or $210,000, may be used to cover prescribed costs of issuing the common shares or administrative and general expenses of the Company. These restrictions apply until completion of a Qualifying Transaction by the Company as defined under the Exchange policy 2.4.

Financial Instruments

The Company's financial instruments, consisting of cash and cash equivalents and accounts payable and accrued liabilities, approximate fair value due to the relatively short-term maturities of the instruments. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

Risks and Uncertainties

The Company's sole objective is to identify a satisfactory Qualifying Transaction. The closing of any proposed Qualifying Transaction is subject to several terms and conditions, including completion of due diligence procedures by parties to the transaction and receipt of all required regulatory approvals, and there is no assurance that a transaction will be completed. If the Company does not complete a Qualifying Transaction within the time permitted by the Exchange, its common shares could be delisted.

The proposed business of the Company and the completion of a Qualifying Transaction involves a high degree of risk and there is no assurance that the Company will identify an appropriate business for acquisition or investment, and even if so identified and warranted, it may not be able to finance such an acquisition or investment within the requisite time period. Additional funds will be required to enable the Company to pursue such an initiative and the Company may be unable to obtain such financing on terms which are satisfactory to it. Furthermore, there is no assurance that the business will be profitable. These factors indicate the existence of a material uncertainty that may cast doubt about the Company's ability to continue as a going concern. Should the Company be unable to continue as a going concern, the net realizable value of its assets may be materially less than the amounts on its statement of financial position.

Conflicts of Interest

The Company's directors and officers may serve as directors or officers, or may be associated with other reporting companies, or have significant shareholdings in other public companies. To the extent that such other companies may participate in business or asset acquisitions, dispositions, or ventures in which the Company may participate, the directors and officers of the Company may have a conflict of interest in negotiating and concluding on terms with respect to the transaction. If a conflict of interest arises, the Company will follow the provisions of the *Business Corporations Act* (British Columbia) (the "BCBCA") in dealing with conflicts of interest. These provisions state that where a director has such a conflict, that director must, at a meeting of the Company's directors, disclose his or her interest and refrain from voting on the matter unless otherwise permitted by the BCBCA. In accordance with the laws of the Province of British Columbia, the directors and officers of the Company are required to act honestly, in good faith, and in the best interest of the Company.

Significant Accounting Policies

The Company's significant accounting policies are summarized in Note 3 to the audited financial statements for the year ended December 31, 2019.

Changes in Accounting Policies

Leases - IFRS 16

The Company adopted the requirements of IFRS 16 effective January 1, 2019. This new standard replaces IAS 17 Leases and the related interpretative guidance. IFRS 16 applies a control model to the identification of leases, distinguishing between a lease and a service contract on the basis of whether the customer controls the asset being leased. For those assets determined to meet the definition of a lease, IFRS 16 introduces significant changes to the accounting by lessees, introducing a single, on-balance sheet accounting model that is similar to the current accounting for finance leases, with limited exceptions for short-term leases or leases of low value assets. Lessor accounting will be substantially changed.

As at January 1, 2019, the Company held no leases and therefore no adjustment was required.

Additional Information

For further detail, see the Company's audited financial statements for the year ended December 31, 2019. Additional information about the Company can also be found on SEDAR at www.sedar.com.

Real Technology Broker Ltd

Consolidated Financial Statements

December 31, 2019

December 31, 2019

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders and Board of Directors of
Real Technology Broker Limited

Opinion

We have audited the consolidated financial statements of Real Technology Broker Limited (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2019 and 2018, and the statements of loss and comprehensive loss, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2019 and 2018, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises:

- Management's Discussion and Analysis; and
- The information, other than the financial statements and our auditor's report thereon, in the Filing Statement.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

The Annual Report is expected to be made available to use after the date of the auditor's report. If, based on the work we will perform on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact to those charged with governance.

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Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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Auditor's Responsibilities for the Audit of the Financial Statements (Cont)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Brightman Almagor Zohar & Co.
Certified Public Accountants
A Firm in the Deloitte Global Network

Tel Aviv, Israel
May 20, 2020

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In thousands of U.S. dollars	***Note***	**2019**	**2018**
Assets			
Cash	*14*	**53**	485
Restricted cash	*14*	**43**	40
Trade receivables	*13*	**56**	276
Other receivables		**10**	9
Related parties		**-**	178
Prepaid expenses and deposits		**33**	19
Current assets		**195**	1,007
Property and equipment	*15*	**1**	27
Right-of-use assets	*15*	**212**	323
Non-current assets		**213**	350
Total assets		**408**	1,357
Liabilities			
Accounts payable and accrued liabilities		**336**	352
Other payables		**40**	90
Lease liabilities	*18*	**122**	122
Current liabilities		**498**	564
Lease liabilities	*18*	**100**	220
Preferred shares	*16*	**11,750**	10,750
Non-current liabilities		**11,850**	10,970
Total liabilities		**12,348**	11,534
Deficit			
Share capital	*16*	**1,187**	1,187
Share premium	*16*	**78**	78
Stock-based compensation reserve		**1,622**	1,134
Deficit		**(14,827)**	(12,576)
Total deficit		**(11,940)**	(10,177)
Total liabilities and deficit		**408**	1,357
Commitments and contingencies	*20*		
Subsequent events	*22*		

Approved by the Board of Directors:

Tamir Poleg
Director

Guy Gamzu
Director

In thousands of U.S. dollars	***Note***	**2019**	**2018**
Revenue	*8(A)*	**15,751**	8,444
Cost of sales	*9*	**13,785**	7,133
Gross profit		**1,966**	1,311
Selling expenses	*9*	**555**	744
Administrative expenses	*9*	**2,845**	2,333
Research and development expenses	*9*	**234**	607
Operating loss		**(1,668)**	(2,373)
Finance costs		**583**	151
Loss before tax		**(2,251)**	(2,524)
Income taxes	*12*		
Total loss and comprehensive loss		**(2,251)**	(2,524)
Earnings per share			
Basic loss per share	*10(A)*	**(0.05)**	(0.06)
Diluted loss per share	*10(B)*	**(0.05)**	(0.06)

The notes on pages 9 to 34 are an integral part of these consolidated financial statements.

In thousands of US dollars	**Share capital**	**Share premium**	**Stock-based compensation reserve**	**Deficit**	**Total equity**
Balance, at January 1, 2018	1,180	5	1,159	(10,052)	(7,708)
Total loss and comprehensive loss for the period	-	-	-	(2,524)	(2,524)
Issue of common shares	7	73	-	-	80
Equity-settled share-based payment	-	-	(25)	-	(25)
Balance, at December 31, 2018	1,187	78	1,134	(12,576)	(10,177)
Total loss and comprehensive loss for the period	-	-	-	**(2,251)**	**(2,251)**
Issue of common shares	-	-	-	-	-
Equity-settled share-based payment	-	-	**488**	-	**488**
Balance, at December 31, 2019	**1,187**	**78**	**1,622**	**(14,827)**	**(11,940)**

The notes on pages 9 to 34 are an integral part of these consolidated financial statements.

In thousands of US dollars	***Note***	**2019**	**2018**
Cash flows from operating activities			
Loss for the period		**(2,251)**	(2,524)
Adjustments for:			
– Depreciation		**137**	147
– Equity-settled share-based payment transactions		**488**	(25)
– Finance costs and other		**(15)**	(42)
		(1,641)	(2,444)
Changes in:			
– Trade receivables		**220**	(257)
– Other receivables		**(1)**	6
– Related parties		**178**	100
– Prepaid expenses and deposits		**(14)**	10
– Accounts payable and accrued liabilities		**(16)**	149
– Other payables		**(50)**	(113)
Net cash used in operating activities		**(1,324)**	(2,549)
Cash flows from investing activities			
Change in restricted cash		**(3)**	(3)
Acquisition of property and equipment		**-**	2
Net cash provided by (used in) investing activities		**(3)**	(1)
Cash flows from financing activities			
Proceeds from issuance of common shares		**-**	80
Proceeds from the issuance of preferred shares		**1,000**	1,250
Payment of lease liabilities		**(120)**	(120)
Net cash from financing activities		**880**	1,210
Net decrease in cash and cash equivalents		**(447)**	(1,340)
Cash, January 1		**485**	1,784
Effect of movements in exchange rates on cash held		**15**	41
Cash, December 31		**53**	485

The notes on pages 9 to 34 are an integral part of these consolidated financial statements.

1. General information

Real Technology Broker Ltd ("Real" or the "Company") is a technology-powered real estate brokerage firm, licensed in over 20 states with over 1,100 agents. Real offers agents a mobile focused tech-platform to run their business, as well as attractive business terms and wealth building opportunities. The consolidated operations of Real include the subsidiaries of Real Broker MA, LLC incorporated on July 11, 2018 under the law of the state of Delaware, Real Broker CT, LLC incorporated on July 11, 2018 under the law of the state of Delaware, Real Broker, LLC (formerly Realtyka, LLC) incorporated on October 17, 2014 under the law of the state of Texas, and Real Brokerage Technologies Inc. (formerly Realtyka Tech Ltd.) incorporated on June 29, 2014 in the state of Israel. The Company's registered head office is 89 Medinat Hayehudim, Herzliya, Israel, 4676672.

2. Basis of accounting

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"). They were authorized for issue by the Company's board of directors on May 20, 2020.

3. Functional and presentation currency

These consolidated financial statements are presented in U.S. dollars, which is the Company's functional currency. All amounts have been rounded to the nearest thousand dollars, unless otherwise indicated.

4. Significant accounting policies

The Company has consistently applied the following accounting policies to all periods presented in these consolidated financial statements.

A. Basis of consolidation

i. Subsidiaries

Subsidiaries are entities controlled by the Company. The Company 'controls' an entity when it is exposed to, or has the rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

ii. Transactions eliminated on consolidation

Intercompany balances and transactions, and any unrealized income and expenses arising from intercompany transactions, are eliminated. Unrealized losses are eliminated in the same way unrealized gains, but only to the extent there is no evidence of impairment.

4. Significant accounting policies (Cont.)

B. Foreign currency

i. Foreign currency transactions

Transactions in foreign currencies are translated into respective functional currencies of the Company at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the report date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognized in profit or loss presented within finance costs.

ii. Foreign operations

The assets and liabilities of foreign operations are translated into U.S. dollars at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into U.S. dollars at exchange rates at the date of the transactions. When a foreign operation is disposed of in its entirety or partially such that control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal.

C. Revenue from contracts with customers

The Company generates substantially all its revenue from commissions from the sale of real estate properties. Other sources of revenue include subscription income from the brokerage-platform and other revenues relating to auxiliary services.

The Company is contractually obligated to provide services for the fulfillment of transfer of real estate between agents, buyers and sellers. The Company satisfies its obligations through closing of a transaction and provides services between the agents and buyers and sellers as a principal. Accordingly, the Company will recognize revenues in the gross amount of consideration, to which it expects to be entitled to.

Please see Note 8(B) for more Information about the Company's revenues from contracts with customers.

D. Employee benefits

i. Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ii. Share-based payment arrangements

The grant-date fair value of equity-settled share-based payment arrangements granted to employees is generally recognized as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognized is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

4. Significant accounting policies (Cont.)

E. Finance income and finance costs

The Company's finance income and finance costs include:

- interest income;

- interest expense;

- the foreign currency gain or loss on financial assets and financial liabilities; Interest income or expense is recognized using the effective interest method.

In calculating interest expect, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit impaired) or to the amortized cost of the liability.

F. Income tax

Income tax expense comprise of current and deferred tax. It is recognized in profit or loss, or recognized or items recognized directly in equity or in other comprehensive income.

The Company has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*.

i. Current tax

Current tax comprises from expected payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using the tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if certain criteria are met.

ii. Deferred tax

Deferred tax are recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred taxes are not recognized for:

- Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and

- Temporary differences related to investments in subsidiaries to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

4. Significant accounting policies (Cont.)

F. Income tax (Cont.)

ii. Deferred tax (Cont.)

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognize a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Company. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date, and reflects uncertainty related to income taxes, if any.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if certain criteria are met.

G. Property and equipment

i. Recognition and measurement

Items of property and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and any accumulated impairment losses. If significant parts of an item of property and equipment have different useful lives, then they are accounted for as separate items (major components) of property and equipment.

Any gain or loss on disposal of an item of property and equipment is recognized in profit or loss.

ii. Subsequent expenditures

Subsequent expenditures are capitalized only if it is probable that future economic benefits with the expenditure will flow to the Company.

iii. Depreciation

Depreciation is calculated to write off the cost of items of property and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognized in profit or loss.

4. Significant accounting policies (Cont.)

G. Property and equipment (Cont.)

iii. Depreciation (Cont.)

The estimated useful lives of property and equipment for current and comparative periods are as follows:

- Computer equipment: 3 years
- Furniture and fixtures: 5-10 years.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted, if appropriate.

H. Financial instruments

i. Recognition and initial measurement

Financial assets and financial liabilities are recognized on the Company's consolidated statements of financial position when Real becomes party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

ii. Classification and subsequent measurement

Financial assets - Policy

On initial recognition, a financial asset is classified as measured at: amortized cost; FVOCI - debt investment; FVOCI - equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortized cost if it meets both of the following conditions as is not designated as FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

4. Significant accounting policies (Cont.)

H. Financial instruments (Cont.)

ii. Classification and subsequent measurement (Cont.)

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets – Business model assessment

The Company assesses the objective of the business model in which a financial asset is held at a portfolio level, because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows;

- how the performance of the portfolio is evaluated and reported to the Company's management;

- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and

- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and the expectations of future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for the purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

4. Significant accounting policies (Cont.)

H. Financial instruments (Cont.)

ii. Classification and subsequent measurement (Cont.)

Financial assets - Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

Financial liabilities - Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

iii. Derecognition

Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows or the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

4. Significant accounting policies (Cont.)

H. Financial instruments (Cont.)

iii. Derecognition (Cont.)

Financial liabilities (Cont.)

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented on the consolidated statements of financial position, only when the Company has a legally enforceable right to offset the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

I. Share capital

i. Ordinary shares

Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity. Income tax relating to transactions costs of an equity transaction are accounted for in accordance with IAS 12.

ii. Preference shares

The Company's preference shares are classified as liability, due to the rights of the holders to require a cash settlement not with in the control of the Company. Discretionary dividends thereon are recognized as equity distributions on approval by the Company's shareholders.

J. Impairment

i. Non-derivative financial assets

Financial instruments and contract assets

The Company recognizes loss allowances for expected credit losses ("ECL") on:

- Financial assets measured at amortized cost; and
- Contract assets

Loss allowances for trade receivables and contract assets are always measured at an amount equal to the lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

4. Significant accounting policies (Cont.)

J. Impairment

i. Non-derivative financial assets (cont.)

Financial instruments and contract assets (cont.)

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company; or
- the financial asset is more than 90 days past due.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Write-off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Company has a policy of writing off the gross carrying amount when the financial asset is 180 days past due based on historical experience of recoveries of similar assets. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

K. Provisions

Provisions are recognized when present (legal or constructive) obligations as a result of a past event will lead to a probable outflow of economic resources and amounts can be estimated reliably. Provisions are measured at management's best estimate of the expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation.

The Company performs evaluations to identify onerous contracts and, where applicable, records provisions for such contracts. All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. In those cases where the possible outflow of economic resources as a result of present obligations is considered remote, no liability is recognized.

4. Significant accounting policies (Cont.)

L. Leases

At the inception of a contract, the Company assess whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset - this may be specified explicitly or implicitly, should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;

- the Company has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use; and

- the Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purposes the asset is used is predetermined, the Company has the right to direct the use of the asset if either:
  - the Group has the right to operate the asset; or
  - the Group designed the asset in a way that predetermines how and for what purpose it will be used.

i. Real as a lessee

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right- of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;

- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;

- amounts expected to be payable under a residual value guarantee; and

4. Significant accounting policies (Cont.)

L. Leases (Cont.)

i. Real as a lessee (Cont.)

- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets in 'property and equipment' in the consolidated statements of financial position.

Short-term leases and leases of low-value assets

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases of machinery that have a least term of 12 months or less and leases of low-value assets, including IT equipment. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

M. Fair value measurement

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

A number of the Company's accounting policies and disclosures require the measurement of fair values, both for financial and non-financial assets and liabilities.

When one is available, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Company uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

4. Significant accounting policies (Cont.)

M. Fair value measurement (Cont.)

If an asset or a liability measured at fair value has a bid price and an ask price, then the Company measures assets and long positions at a bid price and liabilities and short positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognized in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

5. Use of judgments and estimates

In preparing these consolidated financial statements, management has made judgments and estimates that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

A. Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

- Note 11 - measurement of share-based payment arrangements: measurement techniques used to determine whether cash payments received is sufficiently linked to the price or value of equity instruments.

- Note 16(A)(ii) - measurement of preferred shares: measurement techniques used to determine whether cash payments received is sufficiently linked to the price or value of equity instruments.

B. Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have significant result of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

- Note 12(C) - recognition of deferred tax assets: availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilized;

- Note 4(K) - recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources; and

- Note 11 - valuation of share-based payment arrangements: key assumptions used to measure the fair value of the Company's share-based payment arrangements.

5. Use of judgments and estimates (Cont.)

B. Assumptions and estimation uncertainties (Cont.)

i. Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as a broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from third parties to support the conclusion of these valuations meet the requirements of the Standards, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Company's audit committee.

When measuring the fair value of an asset or liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- *Level 1:* quoted prices (unadjusted) in active markets for identical assets or liabilities.

- *Level 2:* inputs other than quoted prices included in Level 1, that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

- *Level 3:* inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about assumptions made in measuring fair values is included in the following notes:

- Note 11 - share-based payment arrangements; and

- Note 19 - financial instruments.

6. Changes in significant accounting policies

The Company monitors the potential changes proposed by the IASB and analyzes the effect that changes in the standards may have on its operations.

Standards issued but not yet effective up to the date of issuance of these consolidated financial statements are described below. This description is of the standards and interpretations issued that the Company reasonably expects to be applicable at a future date. The Company intends to adopt these standards when they become effective.

6. Changes in significant accounting policies (Cont.)

IFRS 15, *Revenue from Contracts with Customers*

The Company adopted IFRS 15 on its effective date of January 1, 2018 using the modified retrospective approach. IFRS 15 replaces IAS 18, *Revenue*. The standard contains a single model that applies to contracts with customers and two approaches to recognizing revenue at a point in time or over time. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognized. The standard requires entities to exercise judgment, taking into consideration all relevant facts and circumstances when applying each step of the model to contracts with customers.

The Company's assessment included a review of relevant contracts for the following key areas that are in the scope of IFRS 15, commissions from real estate contracts and service contracts with real estate agents. The Company has concluded that there are no significant differences in revenue recognition for these revenue streams between the point of transfer of risks and rewards under IAS 18 and the point of transfer of control under IFRS 15. No transitional adjustment has been recorded as at January 1, 2018.

IFRS 9, *Financial Instruments*

The Company adopted IFRS 9 on its effective date of January 1, 2018, using the modified retrospective basis with no restatement of comparative periods. IFRS 9 replaces IAS 39, *Financial Instruments: Recognition and Measurement* and all previous versions of IFRS 9. IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method be used, replacing the multiple impairment methods in IAS 39. IFRS 9 also includes requirements relating to a new hedge accounting model, which represents a substantial overhaul of hedge accounting, which will allow entities to better reflect their risk management activities in the financial statements.

Under IFRS 9, financial assets are classified on the basis of both the business model in which the assets are managed and the contractual cash flow characteristics of the asset. Financial assets after initial recognition are classified and measured either as: (i) amortized cost; (ii) fair value through other comprehensive income (FVOCI) with fair value gains or losses recycled into net income on derecognition; or (iii) fair value through profit and loss (FVTPL). Financial liabilities are classified and measured either as: (i) amortize cost; or (ii) FVTPL. No transitional adjustments have been recorded relating to the Company's adoption of IFRS 9 as at January 1, 2018.

IASB Annual Improvements 2015-2017 Cycle (Issued in December 2017)

In December 2017, the IASB issued amendments to four standards IFRS 3, *Business Combinations*, IFRS 11, *Joint Arrangements*, IAS 12, *Income Taxes*, and IAS 23, *Borrowing Costs*. These amendments became effect on January 1, 2019. The implementation of these standards did not have a significant impact on the Company's financial statements.

IFRIC 23, *Uncertainty over Income Tax Treatment*

In June 2017, the IASB issued amendments as a clarification to requirements under IAS 12, *Income Taxes*. IFRIC 23 clarifies the application of various recognition and measurement requirements when there is uncertainty over income tax treatments. The amendments became effective on January 1, 2019. The amendments did not have an impact on the Company's financial statements.

7. Operating segments

In measuring its performance, the Company does not distinguish or group its operations on a geographical or on any other basis, and accordingly has a single reportable operating segment.

Management has applied judgment by aggregating its operating segments into one single reportable segment for disclosure purposes. Such judgment considers the nature of the operations, and an expectation of operating segments within a reportable segment, which have similar long-term economic characteristics.

The Company's chief executive officer is the chief operating decision maker, and regularly reviews Real's operations and performance on an aggregate basis. Real does not have any significant customers or any significant groups of customers.

8. Revenue

A. Revenue streams and disaggregation of revenue from contracts with customers

The Company generates revenue primarily from commissions from the sale of real estate properties. Other sources of revenue include subscription income from the brokerage-platform and immaterial amounts relating to auxiliary services.

In the following table, revenue from contracts with customers is disaggregated by major products and service lines and timing of revenue recognition.

In thousands of US dollars	2019	2018
Major service lines		
Commissions	15,672	8,297
Subscriptions	57	108
Other	22	39
Total revenue	15,751	8,444
Timing of revenue recognition		
Products transferred at a point in time	15,672	8,297
Services transferred over time	57	108
Revenue from contracts with customers	15,729	8,405
Other revenue	22	39
Total revenue	15,751	8,444

B. Performance obligations and revenue recognition policies

Revenue is measured based on the consideration specified in a contract with a customer. The Company recognizes revenue when it transfers control over a good or service to a customer.

The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and related revenue recognition policies.

8. Revenue (Cont.)

B. Performance obligations and revenue recognition policies (Cont.)

Type of product/service	Nature and timing of satisfaction of performance obligations, including significant payment terms	Revenue recognition policies
Commissions from real estate contracts	Customers obtain control of real estate property on the closing date, which is ordinarily when consideration is received.	Revenue is recognized at a point in time as the purchase agreement is closed and the sale is executed.
Service contracts with real estate agents	Under service contracts with real estate agents, they enroll in an annual subscription plan to use the tech-platform.	Revenue is recognized over time as the Company provides promised services to real estate agents on a paid subscription plan.

9. Expenses by nature

In thousands of US dollars	2019	2018
Commissions to agents	13,785	7,133
Salaries and benefits	1,058	807
Consultancy	853	1,499
General and administrative	655	485
Advertising	554	147
Dues and subscriptions	309	305
Depreciation	137	147
Travel	40	127
Other	5	119
Occupancy	23	48
Total cost of sales, selling expenses, administrative and research and development expenses	17,419	10,817

10. Loss per share

A. Weighted average number of ordinary shares

In thousands of shares	2019	2018
Issued ordinary shares at January 1,	41,797	41,797
Effect of share options exercised	-	-
Weighted-average number of ordinary shares at December 31,	41,797	41,797

B. Diluted earnings per share

In thousands of shares	2019	2018
Issued ordinary shares at January 1,	46,178	41,797
Effect of share options on issue	4,355	4,381
Weighted-average number of ordinary shares (diluted) at December 31,	50,533	46,178

11. Share-based payment arrangements

See accounting policy in Note 23(D).

A. Description of share-based payment arrangements

i. Stock option plan (equity-settled)

On January 20, 2016, the Company established a stock-option plan that entitles key management personnel and employees to purchase shares in the Company. Under the stock-option plan, holders of vested options are entitled to purchase shares based for the exercise price as determined at grant date.

The key terms and conditions related to the grants under these programs are as follows; all options are to be settled by physical delivery of shares.

B. Measurement of fair values

Grant date	Number of instruments	Vesting conditions	Contractual life of options
On January, 2016	142	25% on first anniversary, then quarterly vesting	4 years
On January, 2017	559	25% on first anniversary, then quarterly vesting	4 years
On June, 2018	326	25% on first anniversary, then quarterly vesting	4 years
On July, 2018	244	Immediate	4 years
On Mar, 2019	30	Immediate	4 years
On Mar, 2019	283	Quarterly vesting	3 years
On July, 2019	3,523	25% on first anniversary, then quarterly vesting	4 years
	5,107		

The inputs used in the measurement of the fair values at the grant and measurement date were as follows:

		2019		2018
Share price	$	0.13	$	0.14
Exercise price	$	0.13	$	0.14
Expected volatility (weighted-average)		66.1%		66.1%
Expected life (weighted-average)		4 years		4 years
Expected dividends		-%		-%
Risk-free interest rate (based on government bonds)		2.14%		3.02%

Expected volatility has been based on an evaluation of based on a comparable companies historical volatility of the share price, particularly over the historical period commensurate with the expected term.

11. Share-based payment arrangements (Cont.)

C. Reconciliation of outstanding stock-options

The number and weighted-average exercise prices of stock-options under the stock option plan (see A(i)) are as follows:

	Number of options 2019		Weighted-average exercise price 2019	Number of options 2018		Weighted-average exercise price 2018
Outstanding at January 1,	20,413	$	0.13	17,525	$	0.13
Granted during the year	3,836	$	0.13	2,888	$	0.13
Outstanding at December 31,	24,249	$	0.13	20,413	$	0.13
Exercisable at December 31,	11,726			5,672		

The stock-options outstanding as at December 31, 2019 had an exercise price of $0.13 (2018: $0.14) and a weighted-average contractual life of 4 years (2018: 4 years).

12. Income taxes

A. Effects of tax legislation

Tax Cuts and Jobs Act (P.L. 115-97)

The Tax Cuts and Jobs Act comprehensively revised the taxation for corporate tax payers, including, but not limited to, replacing the graduated corporate tax structure with a flat 21% corporate tax rate and the repeal of the corporate alternative minimum tax ("AMT"), effective for tax years beginning after 2017.

B. Reconciliation of effective tax rate

	2019	2019	2018	2018
Loss before tax from continuing operations	(2,251)		(2,524)	
Recovery using the Company's domestic tax rate	(588)	26.10%	(659)	26.10%
Reduction in tax rate	-	-	7	-1.00%
Tax effect of:				
Non-deductible expenses	-	-	-	-
Current-year losses for which no deferred tax asset is recognized	588	-26.12%	652	-25.83%
	-	0.00%	-	0.00%

C. Deferred taxes

The Company has non-capital loss carry-forwards for income tax purposes of $5,682 (2018 - $3,731), which may be available to reduce taxable income in future years. The potential benefit of these losses has not been recognized in the financial statements as deferred tax assets.

13. Trade receivables

In thousands of US dollars	2019	2018
Trade receivables	64	297
Less: allowance for trade receivables	(8)	(21)
Trade receivables	56	276

Information about the Company's exposure to credit and market risks, and impairment losses for trade receivables is included in Note 19(C)(ii).

14. Cash

In thousands of US dollars	2019	2018
Bank balances	53	485
Restricted cash	43	40
	96	525

15. Property and equipment and right-of-use assets

A. Reconciliation of carrying amount

In thousands of US dollars	Right-of-use assets	Computer equipment	Furniture and equipment	Total
Cost				
Balance at January 1, 2018	-	33	86	**119**
Adoption of IFRS 16	433	-	-	**433**
Additions	-	-	2	**2**
Disposals	-	(12)	(23)	**(35)**
Balance at December 31, 2018	433	21	65	**519**
Additions	-	-	-	-
Balance at December 31, 2019	433	21	65	519
Accumulated depreciation and impairment losses				
Balance at January 1, 2018	-	13	76	**89**
Depreciation	110	9	6	**125**
Disposals	-	(2)	(43)	**(45)**
Balance at December 31, 2018	110	20	39	**169**
Depreciation	111	1	25	137
Balance at December 31, 2019	221	21	64	306
Carrying amounts				
At January 1, 2018	-	20	10	**30**
At December 31, 2018	323	1	26	**350**
At December 31, 2019	212	-	1	213

16. Capital and reserves

A. Share capital and share premium

	Ordinary shares		Non-redeemable preference shares	
In thousands of US dollars	**2019**	2018	**2019**	2018
In issue at January 1,	**1,187**	1,180	**10,750**	9,500
Issued for cash	**-**	7	**1,000**	1,250
In issue at December 31, – fully paid	**1,187**	1,187	**11,750**	10,750
Authorized – par value $1, in thousands of shares	**123,000**	3,500	**66,000**	10,750

All ordinary shares rank equally with regards to the Company's residual assets. Preference shareholders participate only to the extent of the face value of the shares.

i. Ordinary shares

Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company. All rights attached to the Company's shares are held by the Company are suspended until those shares are reissued.

During 2019, the Company approved an amendment to increase the authorized share capital to 123,000 ordinary shares and 66,000 series A preferred shares.

ii. Preferred shares

During 2018, the Company completed a private placement of 111,652 series A preferred shares at a price of $0.01. The fair value of preferred shares issued were $1,250.

During 2019, the Company completed a private placement of 7,143 series A preferred shares at a price of $0.14. The fair value of preferred shares issued were $1,000.

17. Capital management

Real defines capital as its equity. The Company's objective when managing capital is:

– to safeguard the ability to continue as a going concern, so that it can continue to provide returns to shareholders and benefits to other stakeholders; and

– to provide adequate return to shareholders by obtaining an appropriate amount of financing commensurate with the level of risk.

The Company sets the amount of capital in proportion to the risk. Real manages its capital structure and makes adjustments in light of changes in economic conditions and the characteristic risk of underlying assets. In order to maintain or adjust the capital structure, the Company may repurchase shares, return capital to shareholders, issue new shares or sell asset to reduce debt. Real's objective is met by retaining adequate liquidity to provide the possibility that cash flows from its assets will not be sufficient to meet operational, investing and financing requirements.

There have been no changes to the Company's capital management policies during the years ended December 31, 2019 and 2018.

18. Lease liabilities

In thousands of US dollars	2019	2018
Maturity analysis – contractual undiscounted cash flows		
Less than one year	124	122
One year to five years	106	245
Total undiscounted lease liabilities	230	367
Lease liabilities included in the balance sheet	222	342
Current	122	122
Non-current	100	220

19. Financial instruments – Fair values and risk management

A. Accounting classifications and fair values

	Carrying amount			Fair value			
In thousands of US dollars	Financial assets at amortized cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value							
Cash	53	-	53	53	-	-	53
Restricted cash	43	-	43	43	-	-	43
Trade receivables	56	-	56	56	-	-	56
Other receivables	10	-	10	10	-	-	10
	162	-	162	162	-	-	162
Financial liabilities not measured at fair value							
Accounts payable and accrued liabilities	-	336	336	336	-	-	336
Other payables	-	40	40	40	-	-	40
Preferred shares	-	11,750	11,750	-	11,750	-	11,750
	-	12,126	12,126	376	11,750	-	12,126

B. Transfers between levels

During the year ended December 31, 2019 and 2018, there have been no transfers between Level 1, Level 2 and Level 3.

C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

– credit risk (see (C)(ii));

– liquidity risk (see (C)(iii));

– market risk (see (C)(iv));

19. Financial instruments – Fair values and risk management (Cont.)

C. Financial risk management (Cont.)

i. Risk management framework

The Company's activity exposes it to a variety of financial risks, including credit risk, liquidity risk and market risk. These financial risks are managed by the Company under policies approved by the Board of Directors. The principal financial risks are actively managed by the Company's finance department, within Board approved policies and guidelines.

On an ongoing basis, the finance department actively monitors the market conditions, with a view of minimizing exposure of the Company to changing market factors, while at the same time limiting the funding costs of the Company.

The Company's audit committee oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. The receivables are processed through an intermediary trustee, as part of the structure of every deal, which ensures collection on the close of a successful transaction. In order to mitigate the residual risk, the Company contracts exclusively with reputable and credit-worthy partners.

The carrying amount of financial assets and contract assets represents the maximum credit exposure.

Trade receivables and contract assets

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers other factors may influence the credit risk of the customer base, including the default risk associated with the industry and the country in which the customers operate.

The risk management committee has established a credit policy under which each new customer is analyzed individually for creditworthiness before the Company's standard payment and terms and conditions are offered.

The Company does not require collateral in respect to trade and other receivables. The Company does not have trade receivable and contract assets for which no loss allowance is recognized because of collateral.

As at December 31, 2019, the exposure to credit risk for trade receivables and contract asset by geographic region was as follows.

In thousands of US dollars	2019	2018
US	64	297
Other regions	-	22
	64	319

The Company uses an allowance matrix to measure the ECLs of trade receivables from individual customers, which comprise a very large number of small balances.

19. Financial instruments – Fair values and risk management (Cont.)

C. Financial risk management (Cont.)

iii. Liquidity risk

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off. Roll rates are calculated separately for exposures in different segments based on the following common credit risk characteristics – geographic region, credit information about the customer and the type of home purchased.

Loss rates are based on actual credit loss experience. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions of the Company's view of economic conditions over the expected lives of the receivables.

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to maintaining liquidity is to ensure, as far as possible, that it will have sufficient cash and cash equivalents and other liquid assets to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

iv. Market risk

Market risk is the risk that changes in market prices – e.g. foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Currency risk

The Company is exposed to transactional foreign currency risk to the extent there is a mismatch between currencies in which purchases and receivables are denominated and the respective functional currencies of the Company. The currencies in which transactions are primarily denominated are US dollars and Israeli shekel.

Exposure to currency risk

The summary of quantitative data about the Company's exposure to currency risk as reported to management of the Company is as follows.

	December 31, 2019		December 31, 2018	
In thousands of US dollars	Real Broker LLC	Real Technologies Inc.	Real Broker LLC	Real Technologies Inc.
Trade receivables	56	-	276	-
Trade payables	(313)	(12)	(299)	(35)
Net balance sheet exposure	(257)	(12)	(23)	(35)

19. Financial instruments – Fair values and risk management (Cont.)

C. Financial risk management (Cont.)

iv. Market risk (Cont.)

Exposure to currency risk (Cont.)

The following significant exchange rates have been applied.

	Average rate		Year-end spot rate	
In thousands of US dollars	**2019**	**2018**	**2019**	**2018**
ILS 1	**0.28**	0.28	**0.29**	0.27

Sensitivity analysis

A reasonably possible strengthening (weakening) of the US dollar or Israeli shekel against all other currencies as at December 31, 2019 would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Average rate		Year-end spot rate	
In thousands of US dollars	**Strengthening**	**Weakening**	**Strengthening**	**Weakening**
December 31, 2019				
ILS (5% movement)	**101**	**(101)**	**94**	**(94)**
December 31, 2018				
ILS (5% movement)	66	(66)	155	(155)

20. Commitments and contingencies

The Company may have various other contractual obligations in the normal course of operations. The Company is not contingently liable with respect to litigation, claims and environmental matters, including those that could result in mandatory damages or other relief. Any expected settlement of claims in excess of amounts recorded will be charged to profit or loss as and when such determination is made.

21. Related parties

Key management personnel compensation comprised the following.

In thousands of US dollars	**2019**	**2018**
Salaries and benefits	**429**	483
Short-term employee benefits	**8**	7
Consultancy	**19**	-
Share-based payments (recovery)	**488**	(25)
	944	465

Executive officers participate in the Company's stock option program (see Note 11(A)(i)). Furthermore, real estate agents of the Company are entitled to participate in the stock option program if they meet certain eligibility criteria. Directors of the Company control 13.4% of the voting shares of the Company.

22. Subsequent events

A. Issuance of convertible debentures

On February 16, 2020, the Company issued convertible debentures of $200. The convertible debentures are non-interest bearing unless it is paid subsequent to March 25, 2020, the target date for the Qualifying Transaction (see below), which after will bear bearing interest at 4% per annum.

B. Qualifying transaction

On August 13, 2019, ADL Ventures Inc. (“ADL”) entered into a Letter of Intent with Real, which provides for the acquisition of all of the issued and outstanding securities of Real in exchange for:

(a) the issuance of common shares of ADL to shareholders of Real on the basis of 1.0083 ADL common shares for each Real common share (including Real common shares to be issued upon conversion of Real preferred shares on a one-for- one basis immediately prior to the closing of the transaction); and

(b) convertible securities of ADL in exchange for outstanding convertible securities of Real, with appropriate adjustments.

On May, 2020, ADL and Real entered into a Transaction Agreement (the “Qualifying Transaction”). Following the closing, the resulting issuer will be named “Real Technology Brokerage Inc.”, and will carry on the business of Real.

C. Coronavirus (“COVID-19”)

Since December 31, 2019, the outbreak of the novel string of coronavirus, specifically identified as “COVID-19”, has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused a material interruption to businesses, resulting in a global economic slowdown.

The global equity markets have experienced significant volatility and weakness, with the government and central bank reacting with significant monetary and fiscal interventions designed to stabilize the economic conditions. The duration and impact of COVID-19 is unknown, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of those developments and the impact on the financial results and condition of the Company and its operating subsidiaries in future periods.

D. Paycheck Protection Program Loan

On May 9, 2020, the Company entered into a loan agreement with JPMorgan Chase Bank as the lender (“Lender”) in an aggregate principal amount of $172 (“PPP Loan”) as part of the Paycheck Protection Program under the Coronavirus Aid, Relief, and Economic Security (“CARES”) Act. The PPP Loan is evidenced by a promissory note.

Subject to the terms of the promissory note, the PPP Loan bears interest at a rate of 1% per annum, with the first six months of interest deferred, has a term of 2 years, and is unsecured and guaranteed by the Small Business Administration. The Company may apply to the Lender for forgiveness of PPP Loan, with the amount which may be forgiven equal to the sum of payroll costs, covered rent and mortgage obligations, and covered utility payments incurred by the Company during a predefined period as determined by the CARES Act.

Letter from the CEO

Dear Shareholders and Agents,

As the world continues to deal with the unprecedented effects of the coronavirus, firstly, my thoughts go first to the victims, their families and health-care and front-line workers battling the outbreak.

Developments are extremely fluid, and there is tremendous uncertainty on what the ultimate impact will be on overall economic growth and the real estate markets. At Real, meeting our responsibilities to all our stakeholders remain an essential part of our mission since our founding in 2014.

With social distancing and cessation of travel, we continue to leverage our mobile platforms and reimaging in-person viewings into digital experiences. The pandemic has stressed that digital is truly the way for every business – and is accelerating the pace of movement of technology, something that Real prides itself in comprehensively adopting in all parts of our business cycle. We are planning the next phase of this challenge – recovery, and looking forward to capitalizing on the opportunities we expect to see in our industry.

Today, more than ever, the real estate industry and the global business community as a whole, understand the necessity and resilience of tech connected businesses and we are proud to have been leading the trend replacing the traditional brokerage model with a tech powered one.

I am extremely proud of our network of agents who are doing their part to help their communities. Whether the contribution is big or small, this situation reminds us that we are all truly connected and have a part to play in the recovery of our economy.

In 2019, our annual revenue grew by 86%, surpassing $15 million with approximately $495 million worth of properties transacted. We plan to continue to service our agents and the broader market throughout the United States leveraging our unique process and technology. Overall, we are well-positioned to face the economic headwinds, and we will be primed for when the economy bounces back.

Going forward, we will continue to do everything we can to help our investors, agents, customers, employees, and communities emerge from this crisis stronger than ever. As always, I appreciate your invaluable trust and continued support in Real.

Thank you,

Tamir Poleg
Director and CEO
Real Technology Broker Ltd.

Introduction

This Management's Discussion and Analysis ("MD&A") is provided to enable a reader to assess the results of operations and financial condition of Real Technology Broker Limited. for the years ended December 31, 2019 and 2018. This MD&A is dated May 20, 2020 and should be read in conjunction with the annual audited financial statements and related notes for the years ended December 31, 2019 and 2018 ("Annual Financial Statements"). Unless the context indicates otherwise, references to "Real", "the Company", "we", "us" and "our" in this MD&A refer to Real Technology Broker Limited and its operations.

Forward-looking information

Certain information included in this MD&A contains forward-looking information within the meaning of applicable Canadian securities laws. This information includes, but is not limited to, statements made in Business Overview and Strategy, Results from Operations, Debt Profile and other statements concerning Real's objectives, its strategies to achieve those objectives, as well as statements with respect to management's beliefs, plans, estimates and intentions, and similar statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical facts. Forward-looking information generally can be identified by the use of forward-looking terminology such as "outlook", "objective", "may", "will", "would", "expect", "intend", "estimate", "anticipate", "believe", "should", "plan", "continue", or similar expressions suggesting future outcomes or events or the negative thereof. Such forward-looking information reflects management's beliefs and is based on information currently available. All forward-looking information in this MD&A is qualified by the following cautionary statements.

Forward looking information necessarily involves known and unknown risks and uncertainties, which may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, assumptions may not be correct and objectives, strategic goals and priorities may not be achieved. A variety of factors, many of which are beyond Real's control, affect the operations, performance and results of the Company and its subsidiaries, and could call actual results to differ materially from current expectations of estimated or anticipated events or results.

Although Real believes that the expectations reflected in such forward-looking information are reasonable and represent the Company's projections, expectations and beliefs at this time, such information involves known and unknown risks and uncertainties which may cause the Company's actual performance and results in future periods to differ materially from any estimates or projections of future performance or results expressed or implied by such forward-looking information. Important factors that could cause actual results to differ materially include but are not limited to: Business Overview, Results from Operations, Liquidity and Capital Resources, Capital Structure and Stock Option Plan. See Risks and Uncertainties for further information. The reader is cautioned to consider these factors, uncertainties, and potential events carefully and not to put undue reliance on forward-looking information, as there can be no assurance that actual results will be consistent with such forward-looking information.

The forward-looking information included in this MD&A is made as of the date of this MD&A and should not be relied upon as representing Real's views as of any date subsequent to the date of this MD&A. Management undertakes no obligation, except as required by applicable law, to publicly update or revise any forward-looking information, whether as a result of new information, future events or otherwise.

Business overview and strategy

Real is a growing multistate technology powered real estate brokerage. We focus our operations on development of technology that helps real estate agents perform better as well as building a scalable, efficient brokerage operation that is not dependent on a cost-heavy brick and mortar presence in the markets that we operate in.

Business overview and strategy (cont'd)

As a licensed real estate brokerage, our revenue is generated, primarily, by processing real estate transactions which entitle us to commissions. We pay a portion of our commission revenue to our agents and brokers.
Our strength is our ability to offer real estate agents a higher value, at a lower cost, compared to other brokerages, while operating efficiently and scaling quickly.

Recent developments

Agent equity program

During the 2018 fiscal year, we launched our Agent Equity Program, incentivizing our agents for their contribution in Real's growth. Agents were compensated with stock options for closing transactions, referring other agents to the Company and reaching their sales caps. In March of 2020, we terminated the Agent Equity Program in anticipation of completing our listing on the TSX-V.

We perceive equity contributions to agents, teams and brokers as a major attraction and retention tool and will be working to introduce a new equity offering to our agents during 2020, focusing on attracting and retaining productive agents, teams and brokers.

Revenue-share model

As the vast majority or real estate agents are independent contractors, we believe that it is our responsibility to create multiple revenue sources and improve financial opportunities for agents. Our attractive commission split coupled with the equity incentives for agents provide great opportunities. We are now offering agents the opportunity to earn revenue-share, paid out of Real's portion of commissions, for new agents that they personally refer to Real. The program was recently launched and is being carefully rolled out. A successful implementation will have a major positive impact on our agent count and revenue growth.

Focus on teams

Real estate teams operate as "brokerages inside a brokerage". A team is typically formed by a high producing agent who attracts other agents to work with them and enjoy the lead flow and mentoring provided by the team leader. In an effort to attract teams, we introduced a team offering in 2018, consisting of a dedicated comprehensive customer relationship management and very favorable commission splits and caps to team leaders and members.

Path to profitability

Our primary focus during 2019 was to demonstrate our ability to maintain rapid growth with a clear path to profitability. As a result, we closely analyzed and monitored our spend and operational expenses, developed internal tools and processes for more efficient transaction processing and support, focused our geographic footprint, terminated the affiliation of non-producing agents who had been with us for a long period and closely monitored our return-on-investment in various marketing channels.

Emphasizing regional growth

After years of focusing our marketing efforts primarily on online advertising, we decided, in 2019, to experiment with "boots on the ground" recruiting and hired experienced and well-networked brokers as Regional Growth Leaders ("RGLs") in two markets. The thesis was that having a local person representing the company would provide a higher level of comfort for agents and teams interested in joining Real. We are still monitoring the impact of the RGLs on our overall growth and the cost effectiveness of such marketing activity.

Business overview and strategy (cont'd)

Recent developments (cont'd)

Tracking agent satisfaction

Agents' satisfaction is top-of-mind for Real and we use the Net Promoter Score® ("NPS") surveys for measurement and tracking. NPS is a measure of customer satisfaction and is measured on a scale between (100) and 100. An NPS above 50 is considered excellent. The question we ask is "On a scale of zero to ten, how likely are you to recommend Real as a potential brokerage firm to other agents?". Our most recent NPS is 67.7, a strong indication to a very high level of satisfaction amongst our agents. We believe that NPS surveys help in ensuring we are delivering on the most important services and value to our agents. A high level of satisfaction contributes to the brand and organic growth of Real.

Artificial intelligence

During 2019, we launched "Flo", our AI support-focused bot. As a first step, Flo monitors support tickets arriving from our agents and directs the ticket to the relevant person within Real, based on historic data and understanding of who would be best to handle that specific case. We continue to develop Flo with the aim that it would be able to directly reply and handle a large percentage of our support tickets, based on historic support conversations data accumulated since founding Real.

Investing in commercial growth

The commercial real estate brokerage segment is dominated by large, often international, players. Agents working with such brand names are typically tied to their brokerage by long-term contractual obligations and specific clauses, preventing them from approaching the brokerage's clients should they elect to switch to a different brokerage. We identified a segment of agents, focused on tenant representation (mainly companies looking to rent office spaces) who work with their own clientele and wish to work more independently. They are often reluctant to join the leading commercial brokerages and take on the various restrictions imposed by them.

Real Broker Commercial, LLC is our commercial-focused entity, offering commercial agents the freedom and flexibility to conduct their business the way they want to and to enjoy our multistate platform and favorable commission splits. It was established in partnership with Robert Kulik, one of our agents, who closed one of Manhattan's most-notable office lease deals during 2019, resulting in $2,637 of revenue for Real.

Overall

We believe that building an operation that successfully supports a large number of agents and processes a large volume of transactions with minimal overhead is key to long term sustainability and value creation in the real estate brokerage industry.

Objectives

Real seeks to become one of US' leading real estate brokerages. Using our proprietary technology, we look to provide agents with all the tools they need in order to manage and market their business and succeed. Real plans to accomplish this through: (i) proprietary integration of technology and tools focused on facilitating and improving tasks performed by agents. (ii) the offering of attractive business terms to agents and creation of multiple potential revenue streams for agents (iii) providing excellent support and service to our agents (iv) the creation of a nationwide collaborative community of agents. Leveraging the engagement of real estate agents and home buyers and sellers, Real will seek to generate revenue through a variety of different channels.

Presentation of financial information and non-IFRS measures

Presentation of financial information

Unless otherwise specified herein, financial results, including historical comparatives, contained in this MD&A are based on Real's Annual Financial Statements, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and the interpretations of the IFRS Interpretations Committee ("IFIRC"). Unless otherwise specified, amounts are in Canadian dollars and percentage changes are calculated using whole numbers.

Non-IFRS measures

In addition to the reported IFRS measures, industry practice is to evaluate entities giving consideration to certain non- IFRS performance measures, such as earnings before interest, taxes, depreciation and amortization ("EBITDA") or adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA").

Management believes that these measures are helpful to investors because they are measures that the Company uses to measure performance relative to other entities. In addition to IFRS results, these measures are also used internally to measure the operating performance of the Company.

These measures are not in accordance with IFRS and have no standardized definitions, and as such, our computations of these non-IFRS measures may not be comparable to measures by other reporting issuers. In addition, Real's method of calculating non-IFRS measures may differ from other reporting issuers, and accordingly, may not be comparable.

Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA")

EBITDA is used as an alternative to net income because it includes major non-cash items such as interest, taxes and amortization, which management considers non-operating in nature. A reconciliation of EBITDA to IFRS net income is presented under the section Results from Operations of this MD&A.

Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization ("Adjusted EBITDA")

Adjusted EBITDA is used as an alternative to net income because it excludes major non-cash items such as amortization, interest, stock-based compensation, current and deferred income tax expenses and other items management considers non-operating in nature. A reconciliation of adjusted EBITDA to IFRS net income is presented under section Results from Operations of this MD&A.

Results from operations

Select annual information

In thousands of U.S. dollars

For the year ended December 31st	**2019**	**2018**
Operating results		
Loss before tax	**(2,251)**	(2,524)
Net loss and comprehensive loss	**(2,251)**	(2,524)
Per share basis		
Basic loss per share	**(0.05)**	(0.06)
Diluted loss per share	**(0.04)**	(0.05)

As at December 31st	*Note*	**2019**	**2018**
Total assets		**408**	1,357
Total debt	*(ii)*	**598**	784
Debt to total assets	*(i) (iii)*	**147%**	58%
EBITDA	*(i) (iv)*	**(1,531)**	(2,226)
Adjusted EBITDA	*(i) (iv)*	**(1,043)**	(2,251)

(i)	Represents a non-IFRS measure. Real's method for calculating non-IFRS measures may differ from other reporting issuers' methods and accordingly may not be comparable. For definitions and basis of presentation of Real's non-IFRS measures, refer to the non-IFRS measures section of this MD&A.
(ii)	Total debt is defined as accounts payable and other financial liabilities, less preferred equity.
(iii)	Debt to total assets is a non-IFRS measure and is calculated as total debt divided by total assets.
(iv)	EBITDA and Adjusted EBITDA is calculated on a trailing twelve month basis. Refer to non-IFRS measures section of this MD&A for further details.

For the year ended December 31, 2019, total revenues amounted to $15,751 compared to $8,444 for the year ended December 31, 2018. The change in revenues is primarily due to an increase in productive agents on our platform and our focus on increasing agents' productivity which translated into a larger transaction volume closed by our agents.

Results from operations (cont'd)

A further breakdown in revenues generated during the year is included below:

In thousands of US dollars	2019	2018
Major service lines		
Commissions	15,672	8,297
Subscriptions	57	108
Other	22	39
Total revenue	15,751	8,444
Timing of revenue recognition		
Products transferred at a point in time	15,672	8,297
Services transferred over time	57	108
Revenue from contracts with customers	15,729	8,405
Other revenue	22	39
Total revenue	15,751	8,444

A further breakdown in expenses during the year is included below:

In thousands of US dollars	2019	2018
Commissions to agents	13,785	7,133
Salaries and benefits	1,058	807
Consultancy	853	1,499
General and administrative	655	485
Advertising	554	147
Dues and subscriptions	309	305
Depreciation	137	147
Travel	40	127
Other	5	119
Occupancy	23	48
Total cost of sales, selling expenses, administrative and research and development expenses	17,419	10,817

We believe that growth can and should be balanced with profits and therefore plan and monitor our spend responsibly to ensure we decrease our loss and work towards being EBITDA positive. Our loss as a percentage of total revenue was 15% in 2019 and 30% in 2018. This was primarily due to an increase in revenues and maturity and stabilization of our technology that enabled us to spend less resources on software development.

For the year ended December 31st	2019	2018
Revenues	15,751	8,444
Commissions to agents	13,785	7,133
Commissions to agents as a percentage of revenues	88%	84%

Results from operations (cont'd)

The commissions paid to agents increased from $7,133 in 2018 to $13,785 as a result of our increase in revenue and in number of real estate transactions closed by our agents. We typically pay our agents on average 85-90% of the gross commission earned on every real estate transaction and, as the total revenue increases, the total commission to agents expense increases accordingly.

Occupancy/rent expenses decreased in 2019 compared to 2018 following our decision to move to a smaller office in NY.

We advertise on multiple online platforms and websites such as Google Adwords, Facebook and Indeed in our efforts to attract agents. We track the performance of each of these channels and constantly optimize spending. Our advertising costs increased in 2019 to $550 compared to $147 in 2018 due reclassification of marketing expenses and optimization of campaigns that allowed us to spend more while lowering our cost of acquisition of agents.

We finished 2019 with 11 full time employees, a decrease from over 15 full time employees at the end of 2018. The decrease was mainly attributed to automation implemented and software that replaced manual work.

We are charging a small portion of our agents a monthly subscription of $40 or $100 as a result of a pilot we did in the summer of 2017. The intention was to explore how charging a monthly fee would affect the type of agents joining us which resulted in the conclusion that introducing a mandatory monthly fee negatively affects agents recruiting and revenue in general. In addition, some agents pay us a monthly subscription for using some value-added software tools such as Customer Relationship Management software.

Liquidity and capital resources

Liquidity and cash management

Our primary sources of liquidity is cash and cash flows from operations as well as cash raised from investors in exchange for issuance of shares. The Company expects to meet all of its obligations and other commitments as they become due. The Company has various financing sources to fund operations and will continue to fund working capital needs through these sources along with cash flows generated from operating activities.

At December 31, 2019, our cash totaled $53. Cash is comprised of financial instruments with an original maturity of 90 days or less from the date of purchase, primarily money market funds. We hold no marketable securities.

Financing activities

We believe that our existing balances of cash and cash equivalents, the amount to be raised in our Proposed Transaction (see Subsequent Events) that is expected to close concurrently with closing of the transaction with ADL Ventures Inc. and cash flows expected to be generated from our operations will be sufficient to satisfy our operating requirements for at least the next eighteen months.

Our future capital requirements will depend on many factors, including our level of investment in technology, our rate of growth into new markets and our marketing efforts. Our capital requirements may be affected by factors which we cannot control such as the residential real estate market, interest rates, and other monetary and fiscal policy changes to the manner in which we currently operate. In order to support and achieve our future growth plans, however, we may need or seek advantageously to obtain additional funding through equity or debt financing. We currently have no bank debt. If we are unable to raise additional capital when desired, our business and results of operations would likely suffer.

Liquidity and capital resources (cont'd)

Contractual obligations

As at December 31, 2019 the Company had no debt guarantees, leases, off-balance sheet arrangements or long-term obligations other than those noted in our results from operations. We have a lease for our offices in New York that expires on June 30th, 2023. The annual rent expenses for the lease for the period starting July 1st, 2019 and ending on June 30th, 2020 is $87. Rent is paid monthly, for approximately $7 per month.

Capital management framework

Real defines capital as the aggregate of debt and equity. The Company's capital management framework is designed to maintain a level of capital that funds the operations and business strategies and builds long-term shareholder value.

The Company's objective is to manage its capital structure in such a way as to diversify its funding sources, while minimizing its funding costs and risks. For 2019, Real expects to be able to satisfy all of its financing requirements through use of some or all of the following: cash on hand, cash generated by operations, and through the public offerings of common equity (see Events after the Balance Sheet Date).

Other metrics

Earnings before interest, taxes, depreciation and amortization ("EBITDA")

For the year ended December 31st	**2019**	**2018**
Net loss and comprehensive loss	**(2,251)**	(2,524)
Add (deduct):		
– Taxes	**-**	-
– Interest	**583**	151
– Depreciation	**137**	147
EBITDA	**(1,531)**	(2,226)

Adjusted earnings before interest, taxes, depreciation and amortization ("EBITDA")

For the year ended December 31st	**2019**	**2018**
Net loss and comprehensive loss	**(2,251)**	(2,524)
Add (deduct):		
– Taxes	**-**	-
– Interest	**583**	151
– Depreciation	**137**	147
– Stock-based compensation	**488**	(25)
EBITDA	**(1,043)**	(2,251)

Significant accounting policies and other explanatory information

The Company's significant accounting policies are described in note 4 of the Company's Annual Financial Statements. The preparation of the Annual Financial Statements requires management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses and the related disclosures as of the date of the Company's Annual Financial Statements. Actual results may differ from estimates under different assumptions and conditions.

Significant judgments include the timing of revenue recognition and consolidation adjustments. Our significant judgments have been reviewed and approved by the Audit Committee for completeness of disclosure on what management believes would be relevant and useful to investors in interpreting the amounts and disclosures in our Annual Financial Statements.

Changes in accounting policies

IFRS 15, Revenue from Contracts with Customers

The Company adopted IFRS 15 on its effective date of January 1, 2018 using the modified retrospective approach. IFRS 15 replaces IAS 18, *Revenue*. The standard contains a single model that applies to contracts with customers and two approaches to recognizing revenue at a point in time or over time. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognized. The standard requires entities to exercise judgment, taking into consideration all relevant facts and circumstances when applying each step of the model to contracts with customers.

The Company's assessment included a review of relevant contracts for the following key areas that are in the scope of IFRS 15, commissions from real estate contracts and service contracts with real estate agents. The Company has concluded that there are no significant differences in revenue recognition for these revenue streams between the point of transfer of risks and rewards under IAS 18 and the point of transfer of control under IFRS 15. No transitional adjustment has been recorded as at January 1, 2018 in the Annual Financial Statements.

IFRS 9, Financial Instruments

The Company adopted IFRS 9 on its effective date of January 1, 2018, using the modified retrospective basis with no restatement of comparative periods. IFRS 9 replaces IAS 39, *Financial Instruments: Recognition and Measurement* and all previous versions of IFRS 9. IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. The new standard also requires a single impairment method be used, replacing the multiple impairment methods in IAS 39. IFRS 9 also includes requirements relating to a new hedge accounting model, which represents a substantial overhaul of hedge accounting, which will allow entities to better reflect their risk management activities in the financial statements.

Under IFRS 9, financial assets are classified on the basis of both the business model in which the assets are managed and the contractual cash flow characteristics of the asset. Financial assets after initial recognition are classified and measured either as: (i) amortized cost; (ii) fair value through other comprehensive income (FVOCI) with fair value gains or losses recycled into net income on derecognition; or (iii) fair value through profit and loss (FVTPL). Financial liabilities are classified and measured either as: (i) amortize cost; or (ii) FVTPL. No transitional adjustments have been recorded relating to the Company's adoption of IFRS 9 as at January 1, 2018 in the Annual Financial Statements.

Changes in accounting policies (cont'd)

IASB Annual Improvements 2015-2017 Cycle (Issued in December 2017)

In December 2017, the IASB issued amendments to four standards IFRS 3, *Business Combinations*, IFRS 11, *Joint Arrangements*, IAS 12, *Income Taxes*, and IAS 23, *Borrowing Costs*. These amendments became effect on January 1, 2019. The implementation of these standards did not have a significant impact on the Annual Financial Statements.

IFRIC 23, Uncertainty over Income Tax Treatment

In June 2017, the IASB issued amendments as a clarification to requirements under IAS 12, *Income Taxes*. IFRIC 23 clarifies the application of various recognition and measurement requirements when there is uncertainty over income tax treatments. The amendments became effective on January 1, 2019. The amendments did not have an impact on the Annual Financial Statements.

Disclosure controls and procedures and internal control over financial reporting

Disclosure controls and procedures

The CEO and CFO have designed or caused to design controls to provide reasonable assurance that: (i) material information relating to the Company is made known to management by others, particularly during the period in which the annual and interim filings are being prepared; and (ii) information required to be disclosed by the Company in its annual and interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time frame specified in the securities legislation.

Based on the evaluations, the CEO and CFO have concluded that the Company's disclosure controls and procedures were adequate and effective.

Internal control over financial reporting

Real has established internal controls over financial reporting to provide reasonable assurance regarding the reliability of the Company's financial reporting and the preparation of Annual Financial Statements for external purposes in accordance with IFRS. Management, including the Company's CEO and CFO, have determined that as at December 31, 2019 and 2018, the internal controls over financial reporting were effective.

Inherent limitations

It should be noted that in a control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Given the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues, including instances of fraud, if any, have been detected. These inherent limitations include, among other items: (i) that management's assumptions and judgments could ultimately prove to be incorrect under varying conditions and circumstances; (ii) the impact of any undetected errors; and (iii) controls may be circumvented by unauthorized acts of individuals, by collusion of two or more people, or by management override.

Disclosure controls and procedures and internal control over financial reporting (cont'd)

Key management compensation

The Company's key management personnel are comprised of the Board of Directors and current members of the executive team, the Chief Executive Officer, the Chief Financial Officer and the Chief Marketing Officer. Key management personnel compensation for the year consistent of the following:

In thousands of US dollars	**2019**	**2018**
Salaries and benefits	**429**	483
Short-term employee benefits	**8**	7
Consultancy	**19**	-
Share-based payments (recovery)	**488**	(25)
	944	465

Executive officers participate in the Company's stock option program. Furthermore, real estate agents of the Company are entitled to participate in the stock option program if they meet certain eligibility criteria.

Market conditions and industry trends

General

Throughout 2019, homes buyers leveraged decreasing interest rates to purchase homes at an increased level. The consensus amongst economists is that interest rates will remain under 4% during 2020 which is likely to support an increasing demand from home buyers.

Inventory

According to National Association of Realtors ("NAR"), the inventory of existing homes for sale in the U.S. was 1.6 million as of January 2019 and decreased to 1.4 million at the end of December 2019. As a result, inventory has decreased from 3.7 average months of supply as of December 2018 to 3.0 average months' supply as of December 2019.

Mortgage rates

According to the Federal Housing Finance Agency, mortgage rates on commitments for 30-year, conventional, fixed-rate first mortgages averaged 3.9% for 2019 compared to 4.5 in 2018. Mortgage rates are forecasted to slightly increase in 2020. To the extent mortgage rates increase further, consumers continue to have financing alternatives such as adjustable rate mortgages or shorter-term mortgages which can be utilized to obtain a mortgage rate that is lower than a comparable 30-year fixed-rate mortgage.

Factors that may negatively affect growth in the housing industry include prolonged periods of slow economic growth, increased prevalence of unemployment, increasing mortgage interest rates, increase in home sales prices, insufficient inventory levels, regulations imposed by local, state and federal government agencies, geopolitical instability, first time home buyers inability to save due to increasing rent prices, other debt including credit cards and student loans, and adverse shifts in consumer attitudes towards home ownership.

Market conditions and industry trends (cont'd)

Existing home sales

NAR existing home sale transactions for month end December 2019 increased 10.8% to a seasonally-adjusted annual rate of 5.54 million, compared to the same period in 2018. On a full-year basis, total existing-home sales ended at 5.34 million, the same level as in 2018. During this same period, Real revenue increased 86% compared to the same period in 2018. As of their most recent releases, NAR is forecasting existing home sales to decrease by 10% in 2020.

Regardless of whether the housing market continues to show solid demands and price increases or slows down, Real is positioned to continue to capture market share due to our low-cost, high-value model, affording agents, teams and brokers increased income and ownership opportunities which are increasingly important in times of economic uncertainty.

Existing home sales price

Existing home sales average price for December 2019 was $274 compared to $254 in December 2018

Risks and uncertainties

There are a number of risk factors that could cause future results to differ materially from those described herein. The risks and uncertainties described herein are not the only ones the Company faces. Additional risks and uncertainties, including those that the Company does not know about as of the date of this MD&A, or that it currently deems immaterial, may also adversely affect the Company's business. If any of the following risks actually occur, the Company's business may be harmed, and its financial condition and the results of operation may suffer significantly.

Limited operating history

Our limited operating history makes it difficult for potential investors to evaluate our business or prospective operations. As an early stage company, we are subject to all the risks inherent in the initial organization, financing, expenditures, complications and delays inherent in a new business. Investors should evaluate an investment in us in light of the uncertainties encountered by developing companies in a competitive and evolving environment. Our business is dependent upon the implementation of our business plan. We may not be successful in implementing such plan and cannot guarantee that, if implemented, we will ultimately be able to attain profitability.

Additional financing

We will need additional capital in the future to continue to execute our business plan. Therefore, we will be dependent upon additional capital in the form of either debt or equity to continue our operations. At the present time, we do not have arrangements to raise additional capital, and we will need to identify potential investors and negotiate appropriate arrangements with them. We may not be able to arrange enough investment within the time the investment is required or that if it is arranged, that it will be on favorable terms. If we cannot obtain the needed capital, we may not be able to become profitable and may have to curtail or cease our operations.

Success of the platform

Our business strategy is dependent on our ability to develop platforms and features to attract new businesses and users, while retaining existing ones. Staffing changes, changes in user behavior or development of competing platforms may cause users to switch to alternative platforms or decrease their use of our platform. There is no guarantee that agents will use these features and we may fail to generate revenue. Additionally, any of the following events may cause decreased use of our platform:

Risks and uncertainties (cont'd)

Success of the platform (cont'd)

- Emergence of competing platforms and applications;
- Inability to convince potential agents to join our platform;
- Technical issues on certain platforms or in the cross-compatibility of multiple platforms;
- Securities breaches with respect to our data;
- A rise in safety or privacy concerns; and
- An increase in the level of spam or undesired content on the network.

Management team

We are highly dependent on our management team, specifically our Chief Executive Officer. If we lose key employees, our business may suffer. Furthermore, our future success will also depend in part on the continued service of our key management personnel and our ability to identify, hire, and retain additional personnel. We do not carry "key-man" life insurance on the lives of our executive officer, employees or advisors. We experience intense competition for qualified personnel and may be unable to attract and retain the personnel necessary for the development of our business. Because of this competition, our compensation costs may increase significantly.

Monetization of platform

There is no guarantee that our efforts to monetize the Real platform will be successful. Furthermore, our competitors may introduce more advanced technologies that deliver a greater value proposition to realtors in the future. All these factors individually or collectively may preclude us from effectively monetizing our business which would have a material adverse effect on our financial condition and results of operation.

Agents engagement

Our business model involves attracting real estate agents to our platform. There is no guarantee that growth strategies will bring new agents to our network. Changes in relationships with our partners, contractors and businesses we retain to grow our network may result in significant increases in the cost to acquire new agents. In addition, new agents may fail to engage with our network to the same extent current agents are engaging with our network resulting in decreased use of our network. Decreases in the size of our agents base and/or decreased engagement on our network may impair our ability to generate revenue.

Managing growth

Successful implementation of our business strategy requires us to manage our growth. Growth could place an increasing strain on our management and financial resources. To manage growth effectively, we need to continuously: (i) evaluate definitive business strategies, goals and objectives; (ii) maintain a system of management controls; and (iii) attract and retain qualified personnel, as well as, develop, train and manage management-level and other employees. If we fail to manage our growth effectively, our business, financial condition or operating results could be materially harmed.

Competition

We compete with both start-up and established technology companies and brokerages. Our competitors may have substantially greater financial, marketing and other resources than we do and may have been in business longer than we have or have greater name recognition and be better established in the technological or real estate markets than we are. If we are unable to compete successfully with other businesses in our existing market, we may not achieve our projected revenue and/or user targets which may have a material adverse effect on our financial condition.

Risks and uncertainties (cont'd)

Volatility

The market price of our common stock could fluctuate significantly in response to various factors and events, including, but not limited to: our ability to execute our business plan; operating results below expectations; announcements regarding regulatory developments with respect to the real estate industry; our issuance of additional securities, including debt or equity or a combination thereof, necessary to fund our operating expenses; announcements of technological innovations or new products by us or our competitors; and period-to-period fluctuations in our financial results. In addition, the securities markets have from time to time experienced significant price and volume fluctuations that are unrelated to the operating performance of particular companies. These market fluctuations may also materially and adversely affect the market price of our common stock.

Loss of investment

An investment in our securities is speculative and involves a high degree of risk. Potential investors should be aware that the value of an investment in the Company may go down as well as up. In addition, there can be no certainty that the market value of an investment in the Company will fully reflect its underlying value. Investors could lose their entire investment. Because we can issue additional shares of common stock, purchasers of our common stock may incur immediate dilution and experience further dilution.

As of the date of this MD&A, we are authorized to issue up to 123,000 ordinary shares of which 1,187 shares of ordinary shares are issued and outstanding. Our Board of Directors has the authority to cause us to issue additional shares of common stock without consent of any of stockholders. In addition, we are authorized to issue up to 66,000 shares of preferred stock of which 11,750 shares of preferred stock are issued and outstanding as of the date of this MD&A. Consequently, our stockholders may experience further dilution in their ownership of our stock in the future, which could have an adverse effect on the trading market for our common stock.

Furthermore, our Certificate of Incorporation gives our Board the right to create one or more new series of preferred stock. As a result, our Board may, without stockholder approval, issue preferred stock with voting, dividend, conversion, liquidation or other rights that could adversely affect the voting power and equity interests of the holders of our common stock. Preferred stock, which could be issued with the right to more than one vote per share, could be used to discourage, delay or prevent a change of control of our Company, which could materially adversely affect the price of our common stock.

An investment in our securities is speculative and involves a high degree of risk. Potential investors should be aware that the value of an investment in the Company may go down as well as up. In addition, there can be no certainty that the market value of an investment in the Company will fully reflect its underlying value. Investors could lose their entire investment.

Cyber security threats

A cyber incident is an intentional or unintentional event that could threatens the integrity, confidentiality or availability of the Company's information resources. These events include, but are not limited to, unauthorized access to information systems, a disruption to our information systems, or loss of confidential information. Real's primary risks that could result directly from the occurrence of a cyber incident include operational interruption, damage to our public image and reputation, and/or potentially impact the relationships with our customers.

We have implemented processes, procedures and controls to mitigate these risks, including, but not limited to, firewalls and antivirus programs and training and awareness programs on the risks of cyber incidents. These procedures and controls do not guarantee that the financial results may not be negatively impacted by such an incident.

Subsequent events

Issuance of convertible debentures

On February 16, 2020, the Company issued convertible debentures of $200. The convertible debentures are non-interest bearing unless it is paid subsequent to March 25, 2020, the target date for the Qualifying Transaction (see below), which after will bear bearing interest at 4% per annum.

Qualifying transaction

On August 13, 2019, ADL Ventures Inc. ("ADL") entered into a Letter of Intent with Real, which provides for the acquisition of all of the issued and outstanding securities of Real in exchange for:

(a) the issuance of common shares of ADL to shareholders of Real on the basis of 1.0083 ADL common shares for each Real common share (including Real common shares to be issued upon conversion of Real preferred shares on a one-for- one basis immediately prior to the closing of the transaction); and

(b) convertible securities of ADL in exchange for outstanding convertible securities of Real, with appropriate adjustments.

On May, 2020, ADL and Real entered into a Transaction Agreement (the "Qualifying Transaction"). Following the closing, the resulting issuer will be named "Real Technology Brokerage Inc.", and will carry on the business of Real.

Coronavirus ("COVID-19")

Since December 31, 2019, the outbreak of the novel string of coronavirus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused a material interruption to businesses, resulting in a global economic slowdown.

The global equity markets have experienced significant volatility and weakness, with the government and central bank reacting with significant monetary and fiscal interventions designed to stabilize the economic conditions. The duration and impact of COVID-19 is unknown, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of those developments and the impact on the financial results and condition of the Company and its operating subsidiaries in future periods.

Paycheck Protection Program Loan

On May 9, 2020, the Company entered into a loan agreement with JPMorgan Chase Bank as the lender ("Lender") in an aggregate principal amount of $172 ("PPP Loan") as part of the Paycheck Protection Program under the Coronavirus Aid, Relief, and Economic Security ("CARES") Act. The PPP Loan is evidenced by a promissory note. Subject to the terms of the promissory note, the PPP Loan bears interest at a rate of 1% per annum, with the first six months of interest deferred, has a term of 2 years, and is unsecured and guaranteed by the Small Business Administration. The Company may apply to the Lender for forgiveness of PPP Loan, with the amount which may be forgiven equal to the sum of payroll costs, covered rent and mortgage obligations, and covered utility payments incurred by the Company during a predefined period as determined by the CARES Act.

Additional information

These documents, as well as additional information regarding Real, have been filed electronically on Real's website at www.joinreal.com. Additional information, including the directors' and officers' remuneration and indebtedness, principal holders of Real's securities, common share issuances, options to purchase the Company's securities authorized for issuance under the equity compensation plans, as of December 31, 2019, will be contained in Real's Management Information Circular to be furnished in connection with the annual meeting of the shareholders to be held on June, 2020.

APPENDIX "E" – UNAUDITED *PRO FORMA* BALANCE SHEET OF THE RESULTING ISSUER

Pro forma consolidated financial statements of ADL Ventures Inc.
Notes to the pro forma consolidated financial statements
Expressed in thousands of U.S. dollars, except per-share amounts
Year ended December 31, 2019
(Unaudited)

	ADL Ventures Inc.	ADL Ventures Inc.	Real Technology Broker Ltd.	Pro forma adjustments	*Note*	Pro forma consolidated
	(in $CAD)	*(in $USD)*	*(in $USD)*	*(in $USD)*		*(in $USD)*
Assets						
Cash and cash equivalents	461	354	53	1,960	*7(a)*	**2,367**
Restricted cash	-	-	43	-		**43**
Trade receivables	-	-	56	-		**56**
Other receivables	-	-	10	-		**10**
Prepaid expenses and deposits	-	-	33	-		**33**
Current assets	461	354	195	1,960		**2,509**
Property and equipment	-	-	1	-		**1**
Right-of-use assets	-	-	212	-		**212**
Non-current assets	-	-	213	-		**213**
Total assets	**461**	**354**	**408**	**1,960**		**2,722**
Liabilities						
Accounts payable and accrued liabilities	66	52	336	27	*7(b)*	**415**
Other payables	-	-	40	-		**40**
Lease liabilities	-	-	122	-		**122**
Loans and borrowings	-	-	-	-	*8*	**-**
Current liabilities	66	52	498	27		**577**
Lease liabilities	-	-	100	-		**100**
Loans and borrowings	-	-	-	172	*7(e)*	**172**
Preferred shares	-	-	11,750	(11,750)	*7(c)*	**-**
Non-current liabilities	-	-	11,850	(11,578)		**272**
Total liabilities	66	52	12,348	(11,551)		**849**
Equity						
Share capital	520	398	1,187	13,870	*7(d), 8*	**15,455**
Share premium	-	-	78	-	*8*	**78**
Stock-based compensation reserve	97	74	1,622	(74)	*8*	**1,622**
Deficit	(222)	(170)	(14,827)	(285)	*7(b), 8*	**(15,282)**
Total equity	395	302	(11,940)	13,511		**1,873**
Total liabilities and equity	**461**	**354**	**408**	**1,960**		**2,722**

The notes to the pro forma consolidated financial statements are an integral part of these pro forma consolidated financial statements.

1. General information

ADL Ventures Inc. (the "Company" or "ADL") was incorporated under the Business Corporations Act (British Columbia) on February 27, 2018. The Company's registered office address is Suite 1700 - 666 Burrard Street, Vancouver, British Columbia V6C 2X8 and its principal place of business is Suite 901 - 175 Bloor Street East, North Tower, Toronto, Ontario, M4W 3R8.

2. Basis of accounting

These unaudited pro forma financial statements have been prepared by management of Real Technology Broker Ltd. ("Real"), using information derived from the audited financial statements of ADL for the year ended December 31, 2019 and annual audited financial statements of Real for the year ended December 31, 2019.

These unaudited pro forma financial statements give effect Proposed Transaction (see Note 5), as if the Proposed Transaction as if it occurred on December 31, 2019.

These unaudited pro forma financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), along with the adjustments described in the notes below.

The unaudited pro forma financial statements are not necessarily indicative of the results that would have occurred had the Proposed Transaction been consummated at the dates indicated, nor are they necessarily indicative of future operating results or the financial position of the Company.

The Company is relying on the exemption contained in Item 48.2 of TSX Venture Policy Form 3B2 - Information required in a Filing Statement for a Qualifying Transaction and is not including a pro forma consolidated income statement.

3. Functional and presentation currency

All financial information has been presented in United States ("U.S.") dollars, which is also the Real's functional currency and is rounded to the nearest thousands of dollars, except where otherwise indicated.

4. Significant accounting policies

The accounting policies used in the preparation of the unaudited pro forma consolidated financial statements are in accordance with those disclosed in the audited financial statements of the Company for the year ended December 31, 2019.

5. Description of transaction

Parties to the transaction

ADL Ventures Inc.

ADL is classified as a "capital pool company", as defined in the TSX-V Corporate Finance Manual, and other than cash or cash equivalents, has no assets or operations, and is in compliance with Policy 2.4.

Real Technology Broker Ltd.

Real Technology Broker Ltd. was incorporated as Realtyka Tech Ltd. on June 29, 2014 pursuant to the laws of Israel. On August 27, 2015, it changed its name to Real Technology Broker Ltd.

Real and its subsidiaries operate a multi-state, technology-powered residential real estate brokerage. Through its network of over 1,000 affiliated agents, Real assists home buyers, sellers and renters with closing real estate transactions and collects a real estate commission for the services rendered. Real's multi-state real estate brokerage platform offers real estate agents a better experience and features designed to maximize their earnings.

The Qualifying Transaction ("Proposed Transaction")

On August 13, 2019, the Company entered into a Letter of Intent with Real, which provides for the acquisition by ADL of all of the issued and outstanding securities of Real in exchange for: (a) the issuance to Real shareholders common shares on a basis of 1.0083 common shares for each Real common share, including Real series A preferred shares; and (b) convertible securities of the Company for outstanding convertible securities of Real, with appropriate adjustments.

In connection with the Proposed Transaction, the Company will also complete a private placement of 20,915,032 subscription receipts at an issuance price of $0.0765 per subscription receipt, for aggregate proceeds of $1,600. Each subscription receipt is automatically exercisable, for no additional consideration, into one common share of the Company upon satisfaction of the escrow release conditions, as defined in the Filing Statement.

On May 2, 2020, the Company, Real and Real shareholders entered into a transaction agreement. A copy of the transaction agreement is available on SEDAR at www.sedar.com. The transaction agreement incorporates the principal terms of the transaction (as specified by the Letter of Intent) and provides the basis upon which the parties will effect the Proposed Transaction in compliance with the Exchange Requirements.

Following the closing, the Company (the "Resulting Issuer") will change its name to "Real Technology Brokerage Inc.", and will carry on the business of Real.

The arrangement is subject to the satisfaction / waiver of certain closing conditions including: approval of the Arrangement by Acquiree shareholders, approval by the Company's shareholders of the associated issuance of Company shares, court approval of the Arrangement, the acceptance of the TSX Venture Exchange, the approval of the CSE to list the Company shares to be issued under the Arrangement, and certain other customary closing conditions.

6. Reverse takeover

The Transaction has been accounted for in accordance with IFRS 2, Share-based payments and IFRS 3, Business Combinations. As ADL did not qualify as a business according to the definition of IFRS 3, this Transaction does not constitute a business combination. The Transaction is considered to be a reverse takeover of the Company by Real.

A reverse takeover transaction involving a non-public operating entity and a non-operating public company is in substance a shared based transaction rather than a business combination. The Transaction is equivalent to the issuance of common shares by the non-public operating entity, Real Technology Broker Ltd., for the net assets and the listing status of the non-operating public company, ADL Ventures Inc.

The fair value of the common shares issued was determined based on the fair value of the common shares issued by the Company. For financial reporting purposes, the Company is considered a continuation of the Acquiree, the legal subsidiary, except with regard to authorized and issued share capital, which is that of the Company, the legal parent.

The fair value of the net assets of the Company deemed to be acquired will ultimately be determined at the date of closing of the transaction and the actual costs of acquisition may vary from those estimates. Therefore, the allocation of the consideration among the assets and liabilities of the Company may vary from those shown above and such differences may be material.

7. Pro forma adjustments

The adjustments to the pro forma consolidated balance sheets have been prepared to reflect the impact of the Proposed Transaction are described below.

a) To give effect to an increase cash and cash equivalents $1,960 due to the net proceeds from the ADL private placement of 20,758,170 subscription receipts at an issuance price of $0.0765 per ADP subscription receipt, less commissions and other issuance costs of $nil. In addition, amount of $200 series A preferred shares issued February 2020 described in 7(c) below and amount of $172 of proceeds from PPP loan described in 7(e) below.

b) To give effect to an increase in accounts payable and accrued liabilities by TSX-V issuance expenses of $27 not yet paid as of December 31, 2019.

c) To give effect to a decrease in preferred shares of $11,750 due to the automatic conversion of Real series A preferred shares into Real ordinary shares upon the Proposed Transaction (comprised of 11,750 existed as of December 31, 2019 and 200 additional series A preferred shares issued February 2020 with the same terms). It is expected that written consent by the holders of majority of the issued and outstanding series A preferred shares will convert into Real ordinary shares on a one-for-one basis immediately prior to exchange of Real ordinary shares for ADL shares at a rate of 1:1.0083.

d) To give effect of the increase in share capital of $13,870 due to the aggregate pro forma adjustments as follows:
- An increase of $428 due to the increase in fair value of outstanding shares and options of ADL of 9,100,000 at an average price per share of $0.0765.
- An increase of $11,750 due to the exchange of 68,459,874 Real series A preferred shares (as per above) into common shares of ADL at a rate of 1:1.0083.

7. Pro forma adjustments (cont'd)

d) To give effect of the increase in share capital of $13,870 due to the aggregate pro forma adjustments as follows (cont'd):

- An increase of $200 due to the additional series A preferred shares issued February 2020 (as per above) into common shares of ADL at a rate of 1:10083.
- An increase of $1,588 due to the net proceeds from the ADL private placement.
- A decrease due to the cancelling of ADL deficit and share premium into share capital of $96.

The consideration effectively transferred for the acquisition of ADL is as follows:

		Value
		$
Fair value of 9,100,000 post-consolidated ADL shares	*(i), (ii)*	696
Fair value of 1,200,000 post-consolidated ADL options	*(iii)*	34
Total value to ADL shareholders		**730**
Less: recognized assets acquired		(354)
Add: identifiable liabilities assumed		52
Listing expenses as issuance expenses	*(iv)*	428

(i) The price per share is based on the assumed price of the Proposed Transaction of $0.0765
(ii) Represents the shares currently held by shareholders of ADL of 9,100,000 with per share price of $0.0765 amounting to $696.
(iii) Represents the value of 1,200,000 options currently held by shareholders of ADL with per option value of $0.0765 amounting a fair value of $34 using the Black-Scholes Pricing model inputs as described in Note 8.
(iv) The amount is considered the cost of listing Real and is recognized in the statement of loss and comprehensive loss.

e) To give effect of the increase in cash and cash equivalents of $172 and loans and borrowings by $172 related to the JPMorgan Chase Bank Paycheck Protection Program ("PPP Loan"). Subject to the terms of the promissory note, the PPP Loan bears interest at a rate of 1% per annum, with the first six months of interest deferred, has a term of 2 years, and is unsecured and guaranteed by the Small Business Administration. The Company may apply to the Lender for forgiveness of PPP Loan, with the amount which may be forgiven equal to the sum of payroll costs, covered rent and mortgage obligations, and covered utility payments incurred by the Company during a predefined period as determined by the CARES Act.

8. Pro forma equity

A continuity of the Proposed Transaction equity and related recorded value after giving effect to the proforma transactions described in Note 7 is set out below:

Issued common shares		Number of options	Number of shares	Value
				$
ADL shares and options issued and outstanding at December 31, 2019		1,200,000	9,100,000	302
Total book value of ADL prior to Proposed Transaction		**1,200,000**	**9,100,000**	**302**
Effect of pro forma transactions:				
Increase in value of shares and options issued to shareholders of ADL	*(i)*	-	-	428
Shares issued pursuant to the private placement	*(ii), (iv)*	-	20,758,170	1,588
Shares and options issued to shareholders of Real	*(iii)*	7,220,963	42,143,915	1,187
Conversion of Real series A preferred shares	*(iii), (iv)*	-	65,459,874	11,750
Conversion of Real convertible debt	*(vii)*	-	2,636,088	200
Pro forma share capital		**8,420,963**	**140,098,047**	**15,455**
Share premium				78
Reserves for share-based payment transactions				1,622
Accumulated deficit				
Real				(14,827)
Listing expenses	*(i), (v), (vi)*			(455)
Pro forma deficit				(15,282)
Pro forma equity				**1,873**

(i) Increase in value of existing shares and options of ADL treated as consideration for the acquisition of Real and listing expenses.
(ii) Real has 65,459,874 series A preferred shares, which is converted into ordinary shares on a basis of 1:1 prior to the exchange of Real ordinary stock to ADL common shares on a basis of 1:1.10083.
(iii) Real has 41,797,000 ordinary stock and 7,161,522 stock-options are exchanged to ADL common stock on a basis of 1:1.0083.
(iv) ADL will issue 20,758,170 subscription receipts at an issuance price of $0.0765 per ADL subscription receipt, convertible into one ADL common share upon satisfaction of certain escrow release conditions, which include the completion of the Proposed Transaction.
(v) Additional TSX-V listing expenses of $27 accrued in the pro forma consolidated balance sheets.
(vi) ADL stock-options have been valued using the Black-Scholes Pricing model using the inputs as denoted below, which has been treated as consideration for the acquisition of Real and listing expenses.
(vii) Real will convert $200 of convertible debt into 2,636,088 subscription receipts at an issuance price of $0.07587 per ADL subscription receipt.

Share price	$	0.0765
Exercise price	$	0.1320
Expected volatility (weighted-average)		66.1%
Expected life (weighted-average)		4 years
Expected dividends		–%
Risk-free interest rate (based on government bonds)		2.14%

9. Income taxes

The pro forma effective income tax rate applicable to the consolidated operations will be 21%, but due to the lack of recoverability of the Companies' losses carried forward no tax consequences were reflected in the pro forma.

May 27, 2020
For Immediate Release

ADL Ventures Inc.
175 Bloor Street East
Suite 901 North Tower
Toronto, Ontario
M4W 3R8

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ADL Ventures Inc. Files Filing Statement and Provides Update on Qualifying Transaction and Subscription Receipt Financing

Toronto, Ontario – May 27, 2020 – ADL Ventures Inc. (TSXV: AVI.P) ("**ADL**" or the "**Company**"), a capital pool company as defined under Policy 2.4 – Capital Pool Companies (the "**Policy**") of the TSX Venture Exchange (the "**Exchange**" or "**TSXV**"), is pleased to provide an update on its pending Qualifying Transaction, as such term is defined in the Policy, and concurrent subscription receipt financing. As previously announced on March 12, 2020, ADL entered into a definitive Securities Exchange Agreement dated March 5, 2020 (the "**SEA**") with Real Technology Broker Ltd. ("**Real**"), a private company incorporated under the laws of Israel, whereby ADL will acquire all of the issued and outstanding securities of Real to ultimately form "Real Technology Brokerage Inc.", being the resulting issuer (the "**Resulting Issuer**") that will continue on the business of Real (the "**Transaction**"). ADL filed a filing statement dated May 26, 2020 in connection with the transaction and is available under ADL's profile at www.sedar.com.

Real, is a technology driven national real estate brokerage platform primarily operating in the United States through a network of approximately 1,100 agents. Real has a unique operational model providing teams and agents freedom, flexibility, success tools, long term security and a sense of community to build their reputations and professional assets with the help of a leading edge digital platform built from the ground up for their success.

Conditional Approval of the Qualifying Transaction

The SEA provides that ADL will acquire 100% of the issued and outstanding ordinary and preferred shares of Real (each a "**Real Share**"), pursuant to which ADL common shares (each an "**ADL Share**") will be issued to holders of shares of Real on the basis of 1.0083 ADL Shares for every one Real Share (the "**Exchange Ratio**"), giving effect to a deemed value of $0.25 per ADL Share. Outstanding stock options of Real will be rolled over or exchanged at closing for stock options of ADL at the Exchange Ratio subject to the requirement that the total number of ADL options following the completion of the Transaction will not exceed 10% of ADL's post-closing issued and outstanding ADL Shares.

On completion of the Transaction, the shareholders of Real would own approximately 92% of the issued and outstanding shares of the Resulting Issuer and existing shareholders of ADL would own approximately 8.0% of the issued and outstanding shares of the Resulting Issuer on a non-diluted basis not including shares issuable on the ADL Private Placement (as defined below). The common shares of the Resulting Issuer ("**Resulting Issuer Shares**") will be listed for trading on the Exchange.

The parties to the Transaction are at arm's length and it is therefore anticipated that the approval of the shareholders of ADL in respect of the Transaction will not be required.

Conditional approval from the TSXV with respect to the Qualifying Transaction was obtained on May 13, 2020. The parties expect to close the Qualifying Transaction in the week of June 1, 2020. Further information about the proposed Transaction will be provided in a subsequent news release.

Private Placement

Concurrently with the completion of the Transaction, it is anticipated that ADL will complete a private placement of up to approximately US $1,600,000 in subscription receipts at a price of US $0.0765 per subscription receipt (the "**ADL Private Placement**") which will be automatically exercisable into Resulting Issuer Shares upon completion of the Transaction. The Resulting Issuer Shares will be subject to a six month hold period from the date of closing of the ADL Private Placement comprised of a 4 month regulatory hold period plus an additional two month hold period based on contractual lock-up commitments of the subscribers.

Cautionary Note

Completion of the Transaction is subject to receipt of all requisite regulatory, stock exchange, court or governmental approvals, authorizations and consents, approval of the shareholders of ADL and Real (as applicable). Where applicable, the Transaction cannot close until the required approvals have been obtained. There can be no assurance that the Transaction will be completed as proposed or at all. Investors are cautioned that, except as disclosed in the continuous disclosure document containing full, true and plain disclosure regarding the Transaction, required to be filed with the securities regulatory authorities having jurisdiction over the affairs of the Company, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon. The trading in the securities of ADL on the Exchange should be considered highly speculative. Trading in ADL Shares is presently halted and is expected to remain halted pending closing of the Transaction. While halted, ADL Shares may only trade upon Exchange approval and the filing of required materials with the Exchange as contemplated by Exchange policies.

Forward Looking Information

Although the Company believes, in light of the experience of its officers and directors, current conditions and expected future developments and other factors that have been considered appropriate that the expectations reflected in this forward-looking information are reasonable, undue reliance should not be placed on them because the Company can give no assurance that they will prove to be correct. When used in this press release, the words "estimate", "project", "belief", "anticipate", "intend", "expect", "plan", "predict", "may" or "should" and the negative of these words or such variations thereon or comparable terminology are intended to identify forward-looking statements and information. The forward-looking statements and information in this press release include information relating to the business plans of ADL and Real, the Transaction (including Exchange approval, court approval, and the closing of the Transaction), the board of directors and management of the Resulting Issuer upon completion of the Transaction and the ADL Private Placement. Such statements and information reflect the current view of ADL and/or Real, respectively. Risks and uncertainties that may cause actual results to differ materially from those contemplated in those forward looking statements and information.

By their nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the following risks: (i) there is no assurance that ADL and Real will obtain all requisite approvals for the Transaction, including the approval of their respective shareholders (as applicable), the approval of the Exchange for the Transaction (which may be conditional upon amendments to the terms of the Transaction) or court approval of the Transaction; (ii) there is no assurance the ADL Private Placement will be completed as contemplated or at all; (iii) following completion of the Transaction, the Resulting Issuer may require additional financing from time to time in order to continue its operations and financing may not be available when needed or on terms and conditions acceptable to the Resulting Issuer; (iv) new laws or regulations could adversely affect the Resulting Issuer's business and results of operations; and (v) the stock markets have experienced volatility that often has been unrelated to the performance of companies. These fluctuations may adversely affect the price of the Resulting Issuer's securities, regardless of its operating performance. There are a number of important factors that could cause ADL's and Real's actual results to differ materially from those indicated or implied by forward-looking statements and information. Such factors include, among others: currency fluctuations; limited business history of ADL; disruptions or changes in the credit or security markets; results of operation activities and development of projects; project cost overruns or unanticipated costs and expenses, and general market and industry conditions. The terms and conditions of the Qualifying Transaction may be based on the Company's due diligence and the receipt of tax, corporate and securities law advice for both the Company and Real. The Company undertakes no obligation to comment on analyses, expectations or statements made by third parties in respect of the Company, Real, their securities, or their respective financial or operating results (as applicable).

ADL cautions that the foregoing list of material factors is not exhaustive. When relying on ADL's forward-looking statements and information to make decisions, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. ADL has assumed that the material factors referred to in the previous paragraph will not cause such forward-looking statements and information to differ materially from actual results or events. However, the list of these factors is not exhaustive and is subject to change and there can be no assurance that such assumptions will reflect the actual outcome of such items or factors. The forward-looking information contained in this press release represents the expectations of ADL as of the date of this press release and, accordingly, is subject to change after such date. Readers should not place undue importance on forward-looking information and should not rely upon this information as of any other date. ADL does not undertake to update this information at any particular time except as required in accordance with applicable laws.

This press release is not an offer of the securities for sale in the United States. The securities have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an exemption from registration. 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.

Investors are cautioned that, except as disclosed in the filing statement to be prepared in connection with the Transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of a capital pool company should be considered highly speculative.

The TSX Venture Exchange Inc. has in no way passed upon the merits of the Transaction and has neither approved nor disapproved the contents of this press release.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this press release.

Contact Information

For more details, please contact:

ADL Ventures Inc.
Laurence Rose – Chairman, President and Chief Executive Officer
647-920-6383
lrose@matchpointcapital.ca

On behalf of the Board of Directors

"Laurence Rose"

Chairman, President and Chief Executive Officer

June 8, 2020
For Immediate Release

The Real Brokerage Inc.
(Formerly "ADL Ventures Inc.")
175 Bloor Street East
Suite 901 North Tower
Toronto, Ontario
M4W 3R8

THE REAL BROKERAGE INC. (FORMERLY, ADL VENTURES INC.) CLOSES QUALIFYING TRANSACTION

Toronto, Ontario – June 8, 2020 – The Real Brokerage Inc. (formerly, ADL Ventures Inc.) (TSXV: AVI.P) ("**TRB**" or the "**Company**"), is pleased to announce that it has closed its previously announced Qualifying Transaction, as such term is defined under Policy 2.4 – Capital Pool Companies (the "**Policy**") of the TSX Venture Exchange (the "**Exchange**" or "**TSXV**"), consisting of the acquisition of all of the issued and outstanding securities of Real Technology Broker Ltd. ("**Real**"), a private company incorporated under the laws of Israel.

Real, is a technology driven national real estate brokerage platform primarily operating in the United States through a network of approximately 1,100 agents. Real has a unique operational model providing teams and agents freedom, flexibility, success tools, long term security and a sense of community to build their reputations and professional assets with the help of a leading edge digital platform built from the ground up for their success.

The Qualifying Transaction

As previously announced on March 12, 2020, the Company entered into a definitive Securities Exchange Agreement dated March 5, 2020 (the "**SEA**"). In connection with the Qualifying Transaction, TRB common shares (each a "**TRB Share**") were issued to holders of shares of Real on the basis of 1.0083 ADL Shares for every one common share of Real (the "**Exchange Ratio**"), giving effect to a deemed value of $0.25 per TRB Share. Outstanding stock options of Real were rolled over or exchanged at closing for stock options of the Company at the Exchange Ratio (the "**Transaction**").

On completion of the Transaction, the shareholders of Real hold approximately 92% of the issued and outstanding shares of TRB and previous shareholders of TRB own approximately 8.0% of the issued and outstanding shares of TRB on a non-diluted basis not including shares issuable on the ADL Private Placement (as defined below). Conditional approval from the TSXV with respect to the Qualifying Transaction was obtained on May 13, 2020. TRB filed a filing statement dated May 26, 2020 in connection with the transaction and is available under TRB's profile at www.sedar.com.

Final acceptance of the Qualifying Transaction will occur upon the issuance of the Final Exchange Bulletin (the "**Exchange Bulletin**") by the TSXV. Subject to final acceptance by the TSXV, TRB will no longer be a capital pool company and will be classified as Tier 1 pursuant to the TSXV policies and its common shares ("**TRB Shares**") are expected to commence trading on the TSXV during the week of June 8, 2020 under the ticker symbol "REAX". TRB will issue a news release once the TSXV issues the Exchange Bulletin and will then advise of the expected listing date. TRB will continue on the business of Real.

Private Placement

Concurrently with the completion of the Transaction, the Company completed a private placement financing of approximately US$1,600,000 in subscription receipts (the "**Subscription Receipts**") at a price of US$0.0765 per Subscription Receipt (the "**Private Placement**"). The Subscription Receipts automatically exercised into TRB Shares upon completion of the Qualifying Transaction. The TRB Shares are subject to a six month hold period from the date of closing of the Private Placement comprised of a 4 month regulatory hold period plus an additional two month hold period based on contractual lock-up commitments of the subscribers.

Escrowed Securities

Pursuant to the terms of an escrow agreement among TRB, Computershare Investor Services Inc. (as escrow agent) and certain shareholders of TRB, TRB Shares will be placed in escrow, to be released in tranches over 18 months after the issuance of the Exchange Bulletin.

Directors and Officers

As a result of the closing of the Qualifying Transaction, the directors and officers of TRB are now:

Tamir Poleg	Chairman, Chief Executive Officer and Director
Gus Patel	Chief Financial Officer and Corporate Secretary
Lynda Radosevich	Chief Marketing Officer
Guy Gamzu	Director
Larry Klane	Director
Laurence Rose	Director

Legal Advisors

Gowling WLG (Canada) LLP and Meitar Law Offices were legal advisors to Real in Canada and Israel, respectively and Stikeman Elliott LLP were Canadian legal advisors to the Company in connection with the Qualifying Transaction.

Early Warning Disclosure Pursuant to National Instrument 62-103

In connection with the Qualifying Transaction, each of Cubit Investments Ltd. ("**Cubit**") and Magma Venture Capital IV LP and Magma Venture Capital CEO Fund LP, (together, the "**Magma Funds**") acquired ownership, control or direction over TRB Shares requiring disclosure pursuant to the early warning requirements of applicable securities laws. Cubit is a corporation incorporated under the laws of Israel and is owned and controlled by Guy Gamzu. Cubit's head office address is 21 Tuval Street, Ramat Gan, Israel. The Magma Funds' head office is 22 Rothschild Blvd. 25th Floor, Tel Aviv, 6688216 Israel and are limited partnerships formed under the laws of the Cayman Islands.

Prior to the completion of the Qualifying Transaction, Cubit had no ownership of, or exercised control or direction over, any voting or equity securities of the Company other than 1,307,189 subscription receipts automatically exercised into TRB Shares upon completion of the Qualifying Transaction. In connection with the Qualifying Transaction, Cubit, together with TRB Shares held personally by Guy Gamzu, acquired ownership of 17,920,830 TRB Shares (representing approximately 12.8% of the issued and outstanding TRB Shares on a non- diluted basis and 12.1% on a fully diluted basis).

Prior to the completion of the Qualifying Transaction, the Magma Funds. had no ownership of, or exercised control or direction over, any voting or equity securities of the Company other than 1,307,189 subscription receipts automatically exercised into TRB Shares upon completion of the Qualifying Transaction. In connection with the Qualifying Transaction, the Magma Funds collectively acquired ownership of an aggregate of 24,498,927 TRB Shares (representing approximately 17.5% of the issued and outstanding TRB Shares on a non- diluted basis and 16.5% on a fully diluted basis).

Each of Cubit and the Magma Funds: (i) acquired the TRB Shares in connection with the Qualifying Transaction; (ii) holds the TRB Shares for investment purposes; and (iii) does not have any current intentions to increase or decrease its beneficial ownership or control or direction over any additional securities of the Company. Each of Cubit and the Magma Funds may, from time to time and depending on market and other conditions, acquire additional TRB Shares through market transactions, private agreements, treasury issuances, convertible securities or otherwise, or may sell all or some portion of the TRB Shares they each own or control, or may continue to hold the TRB Shares.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this press release.

Investors are cautioned that, except as disclosed in the filing statement prepared in connection with the Qualifying Transaction, any information released or received with respect to the Qualifying Transaction may not be accurate or complete and should not be relied upon.

The TSX Venture Exchange Inc. has neither approved nor disapproved the contents of this press release.

Contact Information

For more details, please contact:

The Real Brokerage Inc.
Tamir Poleg – Chairman, Chief Executive Officer and Director
tamir@joinreal.com
646-469-7107

Forward-Looking Information

This press release contains forward-looking information based on current expectations. Statements about the date of trading of the Company's common shares on the TSXV and final regulatory approvals, among others, are forward-looking information. These statements should not be read as guarantees of future performance or results. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those implied by such statements. The Company assumes no responsibility to update or revise forwardlooking information to reflect new events or circumstances unless required by law.

Number: BC1154543

CERTIFICATE
OF
CHANGE OF NAME

BUSINESS CORPORATIONS ACT

I Hereby Certify that ADL VENTURES INC. changed its name to THE REAL BROKERAGE INC. on June 5, 2020 at 12:01 AM Pacific Time.

ELECTRONIC CERTIFICATE

Issued under my hand at Victoria, British Columbia
On June 5, 2020

CAROL PREST
Registrar of Companies
Province of British Columbia
Canada

BC Registry Services

Mailing Address:
PO Box 9431 Stn Prov Govt
Victoria BC V8W 9V3
www.corporateonline.gov.bc.ca

Location:
2nd Floor - 940 Blanshard Street
Victoria BC
1 877 526-1526

CERTIFIED COPY
Of a Document filed with the Province of British Columbia Registrar of Companies

CAROL PREST

Notice of Articles

BUSINESS CORPORATIONS ACT

This Notice of Articles was issued by the Registrar on: June 5, 2020 12:01 AM Pacific Time

Incorporation Number: **BC1154543**

Recognition Date and Time: *Incorporated on February 27, 2018 03:22 PM Pacific Time*

NOTICE OF ARTICLES

Name of Company:

THE REAL BROKERAGE INC.

REGISTERED OFFICE INFORMATION

Mailing Address:
SUITE 1700, PARK PLACE
666 BURRARD STREET
VANCOUVER BC V6C 2X8
CANADA

Delivery Address:
SUITE 1700, PARK PLACE
666 BURRARD STREET
VANCOUVER BC V6C 2X8
CANADA

RECORDS OFFICE INFORMATION

Mailing Address:
SUITE 1700, PARK PLACE
666 BURRARD STREET
VANCOUVER BC V6C 2X8
CANADA

Delivery Address:
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666 BURRARD STREET
VANCOUVER BC V6C 2X8
CANADA

DIRECTOR INFORMATION

Last Name, First Name, Middle Name:
Goodman, Daniel

Mailing Address:
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TORONTO ON M4V 1K9
CANADA

Delivery Address:
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TORONTO ON M4V 1K9
CANADA

Last Name, First Name, Middle Name:
Simpson, Alan

Mailing Address:
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TORONTO ON M4W 3R8
CANADA

Delivery Address:
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TORONTO ON M4W 3R8
CANADA

Last Name, First Name, Middle Name:
Rose, Laurence

Mailing Address:
175 BLOOR STREET EAST
NORTH TOWER, SUITE 901
TORONTO ON M4W 3R8
CANADA

Delivery Address:
175 BLOOR STREET EAST
NORTH TOWER, SUITE 901
TORONTO ON M4W 3R8
CANADA

AUTHORIZED SHARE STRUCTURE

1.	No Maximum	Common Shares	Without Par Value
			Without Special Rights or Restrictions attached

Incorporation Number BC1154543

ARTICLES

OF

THE REAL BROKERAGE INC.

PROVINCE OF BRITISH COLUMBIA

BUSINESS CORPORATIONS ACT

TABLE OF CONTENTS

Incorporation Number BC1154543

ARTICLES

THE REAL BROKERAGE INC.

(the "Company")

PART 1

INTERPRETATION

1.1 Definitions

In these Articles, unless the context otherwise requires:

(1) "**appropriate person**", has the meaning assigned in the *Securities Transfer Act*;

(2) "**board of directors**", "**directors**" and "**board**" mean the directors or sole director of the Company for the time being;

(3) "***Business Corporations Act***" means the *Business Corporations Act* (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act;

(4) "***Interpretation Act***" means the *Interpretation Act* (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act;

(5) "**legal personal representative**" means the personal or other legal representative of a shareholder;

(6) "**protected purchaser**" has the meaning assigned in the *Securities Transfer Act*;

(7) "**registered address**" of a shareholder means the shareholder's address as recorded in the central securities register;

(8) "**seal**" means the seal of the Company, if any;

(9) "***Securities Act***" means the *Securities Act* (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act;

(10) "**securities legislation**" means statutes concerning the regulation of securities markets and trading in securities and the regulations, rules, forms and schedules under those statutes, all as amended from time to time, and the blanket rulings and orders, as amended from time to time, issued by the securities commissions or similar regulatory authorities appointed under or pursuant to those statutes;

"**Canadian securities legislation**" means the securities legislation in any province or territory of Canada and includes the *Securities Act*; and "**U.S. securities legislation**" means the securities legislation in the federal jurisdiction of the United States and in any state of the United States and includes the Securities Act of 1933 and the Securities Exchange Act of 1934;

(11) "***Securities Transfer Act***" means the *Securities Transfer Act* (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that Act.

1.2 Business Corporations Act and Interpretation Act Definitions Applicable

The definitions in the *Business Corporations Act* and the definitions and rules of construction in the *Interpretation Act*, with the necessary changes, so far as applicable, and unless the context requires otherwise, apply to these Articles as if they were an enactment. If there is a conflict between a definition in the *Business Corporations Act* and a definition or rule in the *Interpretation Act* relating to a term used in these Articles, the definition in the *Business Corporations Act* will prevail in relation to the use of the term in these Articles. If there is a conflict or inconsistency between these Articles and the *Business Corporations Act*, the *Business Corporations Act* will prevail.

PART 2
SHARES AND SHARE CERTIFICATES

2.1 Authorized Share Structure

The authorized share structure of the Company consists of shares of the class or classes and series, if any, described in the Notice of Articles of the Company.

2.2 Form of Share Certificate

Each share certificate issued by the Company must comply with, and be signed as required by, the *Business Corporations Act*.

2.3 Shareholder Entitled to Certificate or Acknowledgment

Unless the shares of which the shareholder is the registered owner are uncertificated shares within the meaning of the *Business Corporations Act*, each shareholder is entitled, without charge, to (a) one share certificate representing the shares of each class or series of shares registered in the shareholder's name or (b) a non-transferable written acknowledgment of the shareholder's right to obtain such a share certificate, provided that in respect of a share held jointly by several persons, the Company is not bound to issue more than one share certificate or acknowledgment and delivery of a share certificate or an acknowledgment to one of several joint shareholders or to a duly authorized agent of one of the joint shareholders will be sufficient delivery to all.

2.4 Delivery by Mail

Any share certificate or non-transferable written acknowledgment of a shareholder's right to obtain a share certificate may be sent to the shareholder by mail at the shareholder's registered address and neither the Company nor any director, officer or agent of the Company is liable for any loss to the shareholder because the share certificate or acknowledgement is lost in the mail or stolen.

2.5 Replacement of Worn Out or Defaced Certificate or Acknowledgement

If the directors are satisfied that a share certificate or a non-transferable written acknowledgment of the shareholder's right to obtain a share certificate is worn out or defaced, they must, on production to them of the share certificate or acknowledgment, as the case may be, and on such other terms, if any, as they think fit:

(1) order the share certificate or acknowledgment, as the case may be, to be cancelled; and

(2) issue a replacement share certificate or acknowledgment, as the case may be.

2.6 Replacement of Lost, Destroyed or Wrongfully Taken Certificate

If a person entitled to a share certificate claims that the share certificate has been lost, destroyed or wrongfully taken, the Company must issue a new share certificate, if that person:

(1) so requests before the Company has notice that the share certificate has been acquired by a protected purchaser;

(2) provides the Company with an indemnity bond sufficient in the Company's judgement to protect the Company from any loss that the Company may suffer by issuing a new certificate; and

(3) satisfies any other reasonable requirements imposed by the directors.

A person entitled to a share certificate may not assert against the Company a claim for a new share certificate where a share certificate has been lost, apparently destroyed or wrongfully taken if that person fails to notify the Company of that fact within a reasonable time after that person has notice of it and the Company registers a transfer of the shares represented by the certificate before receiving a notice of the loss, apparent destruction or wrongful taking of the share certificate.

2.7 Recovery of New Share Certificate

If, after the issue of a new share certificate, a protected purchaser of the original share certificate presents the original share certificate for the registration of transfer, then in addition to any rights under any indemnity bond, the Company may recover the new share certificate from a person to whom it was issued or any person taking under that person other than a protected purchaser.

2.8 Splitting Share Certificates

If a shareholder surrenders a share certificate to the Company with a written request that the Company issue in the shareholder's name two or more share certificates, each representing a specified number of shares and in the aggregate representing the same number of shares as represented by the share certificate so surrendered, the Company must cancel the surrendered share certificate and issue replacement share certificates in accordance with that request.

2.9 Certificate Fee

There must be paid to the Company, in relation to the issue of any share certificate under Articles 2.5, 2.6 or 2.8, the amount, if any and which must not exceed the amount prescribed under the *Business Corporations Act*, determined by the directors.

2.10 Recognition of Trusts

Except as required by law or statute or these Articles, no person will be recognized by the Company as holding any share upon any trust, and the Company is not bound by or compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share or fraction of a share or (except as required by law or statute or these Articles or as ordered by a court of competent jurisdiction) any other rights in respect of any share except an absolute right to the entirety thereof in the shareholder.

PART 3
ISSUE OF SHARES

3.1 Directors Authorized

Subject to the *Business Corporations Act* and the rights, if any, of the holders of issued shares of the Company, the Company may issue, allot, sell or otherwise dispose of the unissued shares, and issued shares held by the Company, at the times, to the persons, including directors, in the manner, on the terms and conditions and for the issue prices (including any premium at which shares with par value may be issued) that the directors may determine. The issue price for a share with par value must be equal to or greater than the par value of the share.

3.2 Commissions and Discounts

The Company may at any time pay a reasonable commission or allow a reasonable discount to any person in consideration of that person purchasing or agreeing to purchase shares of the Company from the Company or any other person or procuring or agreeing to procure purchasers for shares of the Company.

3.3 Brokerage

The Company may pay such brokerage fee or other consideration as may be lawful for or in connection with the sale or placement of its securities.

3.4 Conditions of Issue

Except as provided for by the *Business Corporations Act*, no share may be issued until it is fully paid. A share is fully paid when:

(1) consideration is provided to the Company for the issue of the share by one or more of the following:

(a) past services performed for the Company;

(b) property;

(c) money; and

(2) the value of the consideration received by the Company equals or exceeds the issue price set for the share under Article 3.1.

3.5 Share Purchase Warrants and Rights

Subject to the *Business Corporations Act*, the Company may issue share purchase warrants, options and rights upon such terms and conditions as the directors determine, which share purchase warrants, options and rights may be issued alone or in conjunction with debentures, debenture stock, bonds, shares or any other securities issued or created by the Company from time to time.

PART 4
SHARE REGISTERS

4.1 Central Securities Register

As required by and subject to the *Business Corporations Act*, the Company must maintain a central securities register. The directors may, subject to the *Business Corporations Act*, appoint an agent to maintain the central securities register. The directors may also appoint one or more agents, including the agent which keeps the central securities register, as transfer agent for its shares or any class or series of its shares, as the case may be, and the same or another agent as registrar for its shares or such class or series of its shares, as the case may be. The directors may terminate such appointment of any agent at any time and may appoint another agent in its place.

4.2 Closing Register

The Company must not at any time close its central securities register.

PART 5
SHARE TRANSFERS

5.1 Registering Transfers

The Company must register a transfer of a share of the Company if either:

(1) the Company or the transfer agent or registrar for the class or series of share to be transferred has received:

(a) in the case where the Company has issued a share certificate in respect of the share to be transferred, that share certificate and a written instrument of transfer (which may be on a separate document or endorsed on the share certificate) made by the shareholder or other appropriate person or by an agent who has actual authority to act on behalf of that person;

(b) in the case of a share that is not represented by a share certificate (including an uncertificated share within the meaning of the *Business Corporations Act* and including the case where the Company has issued a non-transferable written acknowledgement of the shareholder's right to obtain a share certificate in respect of the share to be transferred), a written instrument of transfer, made by the shareholder or other appropriate person or by an agent who has actual authority to act on behalf of that person; and

(c) such other evidence, if any, as the Company or the transfer agent or registrar for the class or series of share to be transferred may require to prove the title of the transferor or the transferor's right to transfer the share, that the written instrument of transfer is genuine and authorized and that the transfer is rightful or to a protected purchaser; or

(2) all the preconditions for a transfer of a share under the *Securities Transfer Act* have been met and the Company is required under the *Securities Transfer Act* to register the transfer.

5.2 Waivers of Requirements for Transfer

The Company may waive any of the requirements set out in Article 5.1(1) and any of the preconditions referred to in Article 5.1(2).

5.3 Form of Instrument of Transfer

The instrument of transfer in respect of any share of the Company must be either in the form, if any, on the back of the Company's share certificates or in any other form that may be approved by the Company or the transfer agent for the class or series of shares to be transferred.

5.4 Transferor Remains Shareholder

Except to the extent that the *Business Corporations Act* otherwise provides, the transferor of shares is deemed to remain the holder of the shares until the name of the transferee is entered in a securities register of the Company in respect of the transfer.

5.5 Signing of Instrument of Transfer

If a shareholder or other appropriate person or an agent who has actual authority to act on behalf of that person, signs an instrument of transfer in respect of shares registered in the name of the shareholder, the signed instrument of transfer constitutes a complete and sufficient authority to the Company and its directors, officers and agents to register the number of shares specified in the instrument of transfer or specified in any other manner, or, if no number is specified but share certificates are deposited with the instrument of transfer, all the shares represented by such share certificates:

(1) in the name of the person named as transferee in that instrument of transfer; or

(2) if no person is named as transferee in that instrument of transfer, in the name of the person on whose behalf the instrument is deposited for the purpose of having the transfer registered.

5.6 Enquiry as to Title Not Required

Neither the Company nor any director, officer or agent of the Company is bound to inquire into the title of the person named in the instrument of transfer as transferee or, if no person is named as transferee in the instrument of transfer, of the person on whose behalf the instrument is deposited for the purpose of having the transfer registered or is liable for any claim related to registering the transfer by the shareholder or by any intermediate owner or holder of the shares, of any interest in the shares, of any share certificate representing such shares or of any written acknowledgment of a right to obtain a share certificate for such shares.

5.7 Transfer Fee

There must be paid to the Company, in relation to the registration of any transfer, the amount, if any, determined by the directors.

PART 6
TRANSMISSION OF SHARES

6.1 Legal Personal Representative Recognized on Death

In the case of the death of a shareholder, the legal personal representative of the shareholder, or in the case of shares registered in the shareholder's name and the name of another person in joint tenancy, the surviving joint holder, will be the only person recognized by the Company as having any title to the shareholder's interest in the shares. Before recognizing a person as a legal personal representative of a shareholder, the directors may require the original grant of probate or letters of administration or a court certified copy of them or the original or a court certified or authenticated copy of the grant of representation, will, order or other instrument or other evidence of the death under which title to the shares or securities is claimed to vest.

6.2 Rights of Legal Personal Representative

The legal personal representative of a shareholder has the rights, privileges and obligations that attach to the shares held by the shareholder, including the right to transfer the shares in accordance with these Articles, if appropriate evidence of appointment or incumbency within the meaning of the *Securities Transfer Act* has been deposited with the Company. This Article 6.2 does not apply in the case of the death of a shareholder with respect to shares registered in the shareholder's name and the name of another person in joint tenancy.

PART 7
ACQUISITION OF COMPANY'S SHARES

7.1 Company Authorized to Purchase or Otherwise Acquire Shares

Subject to Article 7.2, the special rights or restrictions attached to the shares of any class or series of shares and the *Business Corporations Act*, the Company may, if authorized by the directors, purchase or otherwise acquire any of its shares at the price and upon the terms determined by the directors.

7.2 No Purchase, Redemption or Other Acquisition When Insolvent

The Company must not make a payment or provide any other consideration to purchase, redeem or otherwise acquire any of its shares if there are reasonable grounds for believing that:

(1) the Company is insolvent; or

(2) making the payment or providing the consideration would render the Company insolvent.

7.3 Sale and Voting of Purchased, Redeemed or Otherwise Acquired Shares

If the Company retains a share redeemed, purchased or otherwise acquired by it, the Company may sell, gift or otherwise dispose of the share, but, while such share is held by the Company, it:

(1) is not entitled to vote the share at a meeting of its shareholders;

(2) must not pay a dividend in respect of the share; and

(3) must not make any other distribution in respect of the share.

PART 8
BORROWING POWERS

8.1 Borrowing Powers

The Company, if authorized by the directors, may:

(1) borrow money in the manner and amount, on the security, from the sources and on the terms and conditions that the directors consider appropriate;

(2) issue bonds, debentures and other debt obligations either outright or as security for any liability or obligation of the Company or any other person and at such discounts or premiums and on such other terms as the directors consider appropriate;

(3) guarantee the repayment of money by any other person or the performance of any obligation of any other person; and

(4) mortgage, charge, whether by way of specific or floating charge, grant a security interest in, or give other security on, the whole or any part of the present and future assets and undertaking of the Company.

PART 9
ALTERATIONS

9.1 Alteration of Authorized Share Structure

Subject to Article 9.2 and the *Business Corporations Act*, the Company may by directors' resolution or ordinary resolution, unless an alteration to the Company's Notice of Articles would be required, in which case by ordinary resolution:

(1) create one or more classes or series of shares or, if none of the shares of a class or series of shares are allotted or issued, eliminate that class or series of shares;

(2) increase, reduce or eliminate the maximum number of shares that the Company is authorized to issue out of any class or series of shares or establish a maximum number of shares that the Company is authorized to issue out of any class or series of shares for which no maximum is established;

(3) subdivide or consolidate all or any of its unissued, or fully paid issued, shares;

(4) if the Company is authorized to issue shares of a class of shares with par value:

(a) decrease the par value of those shares; or

(b) if none of the shares of that class of shares are allotted or issued, increase the par value of those shares;

(5) change all or any of its unissued, or fully paid issued, shares with par value into shares without par value or any of its unissued shares without par value into shares with par value;

(6) alter the identifying name of any of its shares; or

(7) otherwise alter its shares or authorized share structure when required or permitted to do so by the *Business Corporations Act*;

and, if applicable, alter its Notice of Articles and, if applicable, its Articles, accordingly.

9.2 Special Rights or Restrictions

Subject to the *Business Corporations Act*, the Company may by ordinary resolution:

(1) create special rights or restrictions for, and attach those special rights or restrictions to, the shares of any class or series of shares, whether or not any or all of those shares have been issued; or

(2) vary or delete any special rights or restrictions attached to the shares of any class or series of shares, whether or not any or all of those shares have been issued;

and alter its Articles and Notice of Articles accordingly.

9.3 Change of Name

The Company may by directors' resolution or ordinary resolution authorize an alteration to its Notice of Articles in order to change its name.

9.4 Other Alterations

If the *Business Corporations Act* does not specify the type of resolution and these Articles do not specify another type of resolution, the Company may by ordinary resolution alter these Articles.

PART 10
MEETINGS OF SHAREHOLDERS

10.1 Annual General Meetings

Unless an annual general meeting is deferred or waived in accordance with the *Business Corporations Act*, the Company must hold its first annual general meeting within 18 months after the date on which it was incorporated or otherwise recognized, and after that must hold an annual general meeting at least once in each calendar year and not more than 15 months after the last annual reference date at such time and place as may be determined by the directors.

10.2 Resolution Instead of Annual General Meeting

If all the shareholders who are entitled to vote at an annual general meeting consent by a unanimous resolution to all of the business that is required to be transacted at that annual general meeting, the annual general meeting is deemed to have been held on the date of the unanimous resolution. The shareholders must, in any unanimous resolution passed under this Article 10.2, select as the Company's annual reference date a date that would be appropriate for the holding of the applicable annual general meeting.

10.3 Calling of Meetings of Shareholders

The directors may, at any time, call a meeting of shareholders, to be held at such time and at such place, either in or outside British Columbia, as may be determined by the directors.

10.4 Notice for Meetings of Shareholders

The Company must send notice of the date, time and location of any meeting of shareholders (including, without limitation, any notice specifying the intention to propose a resolution as an exceptional resolution, a special resolution or a special separate resolution, and any notice to consider approving an amalgamation into a foreign jurisdiction, an arrangement or the adoption of an amalgamation agreement, and any notice of a general meeting, class meeting or series meeting), in the manner provided in these Articles, or in such other manner, if any, as may be prescribed by ordinary resolution (whether previous notice of the resolution has been given or not), to each shareholder entitled to attend the meeting, to each director and to the auditor of the Company, unless these Articles otherwise provide, at least the following number of days before the meeting:

(1) if and for so long as the Company is a public company, 21 days;

(2) otherwise, 10 days.

10.5 Record Date for Notice

The directors may set a date as the record date for the purpose of determining shareholders entitled to notice of any meeting of shareholders. The record date must not precede the date on which the meeting is to be held by more than two months or, in the case of a general meeting requisitioned by shareholders under the *Business Corporations Act*, by more than four months. The record date must not precede the date on which the meeting is held by fewer than:

(1) if and for so long as the Company is a public company, 21 days;

(2) otherwise, 10 days.

If no record date is set, the record date is 5 p.m. on the day immediately preceding the first date on which the notice is sent or, if no notice is sent, the beginning of the meeting.

10.6 Record Date for Voting

The directors may set a date as the record date for the purpose of determining shareholders entitled to vote at any meeting of shareholders. The record date must not precede the date on which the meeting is to be held by more than two months or, in the case of a general meeting requisitioned by shareholders under the *Business Corporations Act*, by more than four months. If no record date is set, the record date is 5 p.m. on the day immediately preceding the first date on which the notice is sent or, if no notice is sent, the beginning of the meeting.

10.7 Failure to Give Notice and Waiver of Notice

The accidental omission to send notice of any meeting of shareholders to, or the non-receipt of any notice by, any of the persons entitled to notice does not invalidate any proceedings at that meeting. Any person entitled to notice of a meeting of shareholders may, in writing or otherwise, waive that entitlement or agree to reduce the period of that notice. Attendance of a person at a meeting of shareholders is a waiver of entitlement to notice of the meeting unless that person attends the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

10.8 Notice of Special Business at Meetings of Shareholders

If a meeting of shareholders is to consider special business within the meaning of Article 11.1, the notice of meeting must:

(1) state the general nature of the special business; and

(2) if the special business includes considering, approving, ratifying, adopting or authorizing any document or the signing of or giving of effect to any document, have attached to it a copy of the document or state that a copy of the document will be available for inspection by shareholders:

(a) at the Company's records office, or at such other reasonably accessible location in British Columbia as is specified in the notice; and

(b) during statutory business hours on any one or more specified days before the day set for the holding of the meeting.

10.9 Notice of Dissent Rights

The Company must send to each of its shareholders, whether or not their shares carry the right to vote, a notice of any meeting of shareholders at which a resolution entitling shareholders to dissent is to be considered specifying the date of the meeting and containing a statement advising of the right to send a notice of dissent together with a copy of the proposed resolution at least the following number of days before the meeting:

(1) if and for so long as the Company is a public company, 21 days;

(2) otherwise, 10 days.

PART 11
PROCEEDINGS AT MEETINGS OF SHAREHOLDERS

11.1 Special Business

At a meeting of shareholders, the following business is special business:

(1) at a meeting of shareholders that is not an annual general meeting, all business is special business except business relating to the conduct of or voting at the meeting;

(2) at an annual general meeting, all business is special business except for the following:

(a) business relating to the conduct of or voting at the meeting;

(b) consideration of any financial statements of the Company presented to the meeting;

(c) consideration of any reports of the directors or auditor;

(d) the setting or changing of the number of directors;

(e) the election or appointment of directors;

(f) the appointment of an auditor;

(g) the setting of the remuneration of an auditor;

(h) business arising out of a report of the directors not requiring the passing of a special resolution or an exceptional resolution;

(i) any other business which, under these Articles or the *Business Corporations Act*, may be transacted at a meeting of shareholders without prior notice of the business being given to the shareholders.

11.2 Special Majority

The majority of votes required for the Company to pass a special resolution at a general meeting of shareholders is two-thirds of the votes cast on the resolution.

11.3 Quorum

Subject to the special rights or restrictions attached to the shares of any class or series of shares and to Article 11.4, the quorum for the transaction of business at a meeting of shareholders is two persons who are, or who represent by proxy, shareholders who, in the aggregate, hold at least 5% of the issued shares entitled to be voted at the meeting.

11.4 One Shareholder May Constitute Quorum

If there is only one shareholder entitled to vote at a meeting of shareholders:

(1) the quorum is one person who is, or who represents by proxy, that shareholder, and

(2) that shareholder, present in person or by proxy, may constitute the meeting.

11.5 Persons Entitled to Attend Meeting

In addition to those persons who are entitled to vote at a meeting of shareholders, the only other persons entitled to be present at the meeting are the directors, the president (if any), the secretary (if any), the assistant secretary (if any), any lawyer for the Company, the auditor of the Company, any persons invited to be present at the meeting by the directors or by the chair of the meeting and any persons entitled or required under the *Business Corporations Act* or these Articles to be present at the meeting; but if any of those persons does attend the meeting, that person is not to be counted in the quorum and is not entitled to vote at the meeting unless that person is a shareholder or proxy holder entitled to vote at the meeting.

11.6 Requirement of Quorum

No business, other than the election of a chair of the meeting and the adjournment of the meeting, may be transacted at any meeting of shareholders unless a quorum of shareholders entitled to vote is present at the commencement of the meeting, but such quorum need not be present throughout the meeting.

11.7 Lack of Quorum

If, within one-half hour from the time set for the holding of a meeting of shareholders, a quorum is not present:

(1) in the case of a general meeting requisitioned by shareholders, the meeting is dissolved, and

(2) in the case of any other meeting of shareholders, the meeting stands adjourned to the same day in the next week at the same time and place.

11.8 Lack of Quorum at Succeeding Meeting

If, at the meeting to which the meeting referred to in Article 11.7(2) was adjourned, a quorum is not present within one-half hour from the time set for the holding of the meeting, the person or persons present and being, or representing by proxy, one or more shareholders entitled to attend and vote at the meeting constitute a quorum.

11.9 Chair

The following individual is entitled to preside as chair at a meeting of shareholders:

(1) the chair of the board, if any; or

(2) if the chair of the board is absent or unwilling to act as chair of the meeting, the president, if any.

11.10 Selection of Alternate Chair

If, at any meeting of shareholders, there is no chair of the board or president present within 15 minutes after the time set for holding the meeting, or if the chair of the board and the president are unwilling to act as chair of the meeting, or if the chair of the board and the president have advised the secretary, if any, or any director present at the meeting, that they will not be present at the meeting, the directors present must choose one of their number to be chair of the meeting or if all of the directors present decline to take the chair or fail to so choose or if no director is present, the shareholders entitled to vote at the meeting who are present in person or by proxy may choose any person present at the meeting to chair the meeting.

11.11 Adjournments

The chair of a meeting of shareholders may, and if so directed by the meeting must, adjourn the meeting from time to time and from place to place, but no business may be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

11.12 Notice of Adjourned Meeting

It is not necessary to give any notice of an adjourned meeting of shareholders or of the business to be transacted at an adjourned meeting of shareholders except that, when a meeting is adjourned for 30 days or more, notice of the adjourned meeting must be given as in the case of the original meeting.

11.13 Decisions by Show of Hands or Poll

Subject to the *Business Corporations Act*, every motion put to a vote at a meeting of shareholders will be decided on a show of hands unless a poll, before or on the declaration of the result of the vote by show of hands, is directed by the chair or demanded by any shareholder entitled to vote who is present in person or by proxy.

11.14 Declaration of Result

The chair of a meeting of shareholders must declare to the meeting the decision on every question in accordance with the result of the show of hands or the poll, as the case may be, and that decision must be entered in the minutes of the meeting. A declaration of the chair that a resolution is carried by the necessary majority or is defeated is, unless a poll is directed by the chair or demanded under Article 11.13, conclusive evidence without proof of the number or proportion of the votes recorded in favour of or against the resolution.

11.15 Motion Need Not be Seconded

No motion proposed at a meeting of shareholders need be seconded unless the chair of the meeting rules otherwise, and the chair of any meeting of shareholders is entitled to propose or second a motion.

11.16 Casting Vote

In the case of an equality of votes, the chair of a meeting of shareholders does not, either on a show of hands or on a poll, have a second or casting vote in addition to the vote or votes to which the chair may be entitled as a shareholder.

11.17 Manner of Taking Poll

Subject to Article 11.18, if a poll is duly demanded at a meeting of shareholders:

(1) the poll must be taken:

(a) at the meeting, or within seven days after the date of the meeting, as the chair of the meeting directs; and

(b) in the manner, at the time and at the place that the chair of the meeting directs;

(2) the result of the poll is deemed to be the decision of the meeting at which the poll is demanded; and

(3) the demand for the poll may be withdrawn by the person who demanded it.

11.18 Demand for Poll on Adjournment

A poll demanded at a meeting of shareholders on a question of adjournment must be taken immediately at the meeting.

11.19 Chair Must Resolve Dispute

In the case of any dispute as to the admission or rejection of a vote given on a poll, the chair of the meeting must determine the dispute, and his or her determination made in good faith is final and conclusive.

11.20 Casting of Votes

On a poll, a shareholder entitled to more than one vote need not cast all the votes in the same way.

11.21 No Demand for Poll on Election of Chair

No poll may be demanded in respect of the vote by which a chair of a meeting of shareholders is elected.

11.22 Demand for Poll Not to Prevent Continuance of Meeting

The demand for a poll at a meeting of shareholders does not, unless the chair of the meeting so rules, prevent the continuation of the meeting for the transaction of any business other than the question on which a poll has been demanded.

11.23 Retention of Ballots and Proxies

The Company must, for at least three months after a meeting of shareholders, keep each ballot cast on a poll and each proxy voted at the meeting, and, during that period, make them available for inspection during normal business hours by any shareholder or proxyholder entitled to vote at the meeting. At the end of such three month period, the Company may destroy such ballots and proxies.

PART 12
VOTES OF SHAREHOLDERS

12.1 Number of Votes by Shareholder or by Shares

Subject to any special rights or restrictions attached to any shares and to the restrictions imposed on joint shareholders under Article 12.3:

(1) on a vote by show of hands, every person present who is a shareholder or proxy holder and entitled to vote on the matter has one vote; and

(2) on a poll, every shareholder entitled to vote on the matter has one vote in respect of each share entitled to be voted on the matter and held by that shareholder and may exercise that vote either in person or by proxy.

12.2 Votes of Persons in Representative Capacity

A person who is not a shareholder may vote at a meeting of shareholders, whether on a show of hands or on a poll, and may appoint a proxy holder to act at the meeting, if, before doing so, the person satisfies the chair of the meeting, or the directors, that the person is a legal personal representative or a trustee in bankruptcy for a shareholder who is entitled to vote at the meeting.

12.3 Votes by Joint Holders

If there are joint shareholders registered in respect of any share:

(1) any one of the joint shareholders may vote at any meeting of shareholders, personally or by proxy, in respect of the share as if that joint shareholder were solely entitled to it; or

(2) if more than one of the joint shareholders is present at any meeting of shareholders, personally or by proxy, and more than one of them votes in respect of that share, then only the vote of the joint shareholder present whose name stands first on the central securities register in respect of the share will be counted.

12.4 Legal Personal Representatives as Joint Shareholders

Two or more legal personal representatives of a shareholder in whose sole name any share is registered are, for the purposes of Article 12.3, deemed to be joint shareholders registered in respect of that share.

12.5 Representative of a Corporate Shareholder

If a corporation that is not a subsidiary of the Company is a shareholder, that corporation may appoint a person to act as its representative at any meeting of shareholders of the Company, and:

(1) for that purpose, the instrument appointing a representative must be received:

(a) at the registered office of the Company or at any other place specified, in the notice calling the meeting, for the receipt of proxies, at least the number of business days specified in the notice for the receipt of proxies, or if no number of days is specified, two business days before the day set for the holding of the meeting or any adjourned meeting; or

(b) at the meeting or any adjourned meeting, by the chair of the meeting or adjourned meeting or by a person designated by the chair of the meeting or adjourned meeting;

(2) if a representative is appointed under this Article 12.5:

(a) the representative is entitled to exercise in respect of and at that meeting the same rights on behalf of the corporation that the representative represents as that corporation could exercise if it were a shareholder who is an individual, including, without limitation, the right to appoint a proxy holder; and

(b) the representative, if present at the meeting, is to be counted for the purpose of forming a quorum and is deemed to be a shareholder present in person at the meeting.

Evidence of the appointment of any such representative may be sent to the Company by written instrument, fax or any other method of transmitting legibly recorded messages.

12.6 When Proxy Holder Need Not Be Shareholder

A person must not be appointed as a proxy holder unless the person is a shareholder, although a person who is not a shareholder may be appointed as a proxy holder if:

(1) the person appointing the proxy holder is a corporation or a representative of a corporation appointed under Article 12.5;

(2) the Company has at the time of the meeting for which the proxy holder is to be appointed only one shareholder entitled to vote at the meeting;

(3) the shareholders present in person or by proxy at and entitled to vote at the meeting for which the proxy holder is to be appointed, by a resolution on which the proxy holder is not entitled to vote but in respect of which the proxy holder is to be counted in the quorum, permit the proxy holder to attend and vote at the meeting; or

(4) the Company is a public company.

12.7 When Proxy Provisions Do Not Apply to the Company

If and for so long as the Company is a public company, Articles 12.8 to 12.16 apply only insofar as they are not inconsistent with any Canadian securities legislation applicable to the Company, any U.S. securities legislation applicable to the Company or any rules of an exchange on which securities of the Company are listed.

12.8 Appointment of Proxy Holders

Every shareholder of the Company, including a corporation that is a shareholder but not a subsidiary of the Company, entitled to vote at a meeting of shareholders may, by proxy, appoint one or more proxy holders to attend and act at the meeting in the manner, to the extent and with the powers conferred by the proxy.

12.9 Alternate Proxy Holders

A shareholder may appoint one or more alternate proxy holders to act in the place of an absent proxy holder.

12.10 Deposit of Proxy

A proxy for a meeting of shareholders must:

(1) be received at the registered office of the Company or at any other place specified, in the notice calling the meeting, for the receipt of proxies, at least the number of business days specified in the notice, or if no number of days is specified, two business days before the day set for the holding of the meeting or any adjourned meeting; or

(2) unless the notice provides otherwise, be received, at the meeting or any adjourned meeting, by the chair of the meeting or adjourned meeting or by a person designated by the chair of the meeting or adjourned meeting.

A proxy may be sent to the Company by written instrument, fax or any other method of transmitting legibly recorded messages.

12.11 Validity of Proxy Vote

A vote given in accordance with the terms of a proxy is valid notwithstanding the death or incapacity of the shareholder giving the proxy and despite the revocation of the proxy or the revocation of the authority under which the proxy is given, unless notice in writing of that death, incapacity or revocation is received:

(1) at the registered office of the Company, at any time up to and including the last business day before the day set for the holding of the meeting or any adjourned meeting at which the proxy is to be used; or

(2) at the meeting or any adjourned meeting, by the chair of the meeting or adjourned meeting, before any vote in respect of which the proxy has been given has been taken.

12.12 Form of Proxy

A proxy, whether for a specified meeting or otherwise, must be either in the following form or in any other form approved by the directors or the chair of the meeting:

[name of company]

(the "Company")

The undersigned, being a shareholder of the Company, hereby appoints [name] or, failing that person, [name], as proxy holder for the undersigned to attend, act and vote for and on behalf of the undersigned at the meeting of shareholders of the Company to be held on [month, day, year] and at any adjournment of that meeting.

Number of shares in respect of which this proxy is given (if no number is specified, then this proxy is given in respect of all shares registered in the name of the undersigned):

_____

_____
Signed [month, day, year]

_____
[Signature of shareholder]

_____
[Name of shareholder - printed]

12.13 Revocation of Proxy

Subject to Article 12.14, every proxy may be revoked by an instrument in writing that is received:

(1) at the registered office of the Company at any time up to and including the last business day before the day set for the holding of the meeting or any adjourned meeting at which the proxy is to be used; or

(2) at the meeting or any adjourned meeting, by the chair of the meeting or adjourned meeting, before any vote in respect of which the proxy has been given has been taken.

12.14 Revocation of Proxy Must Be Signed

An instrument referred to in Article 12.13 must be signed as follows:

(1) if the shareholder for whom the proxy holder is appointed is an individual, the instrument must be signed by the shareholder or his or her legal personal representative or trustee in bankruptcy;

(2) if the shareholder for whom the proxy holder is appointed is a corporation, the instrument must be signed by the corporation or by a representative appointed for the corporation under Article 12.5.

12.15 Chair May Determine Validity of Proxy.

The chair of any meeting of shareholders may determine whether or not a proxy deposited for use at the meeting, which may not strictly comply with the requirements of this Part 12 as to form, execution, accompanying documentation, time of filing or otherwise, shall be valid for use at the meeting, and any such determination made in good faith shall be final, conclusive and binding upon the meeting.

12.16 Production of Evidence of Authority to Vote

The chair of any meeting of shareholders may, but need not, inquire into the authority of any person to vote at the meeting and may, but need not, demand from that person production of evidence as to the existence of the authority to vote.

PART 13
DIRECTORS

13.1 First Directors; Number of Directors

The first directors are the persons designated as directors of the Company in the Notice of Articles that applies to the Company when it is recognized under the *Business Corporations Act*. The number of directors, excluding additional directors appointed under Article 14.8, is set at:

(1) subject to paragraphs (2) and (3), the number of directors that is equal to the number of the Company's first directors;

(2) if the Company is a public company, the greater of three and the most recently set of:

(a) the number of directors set by ordinary resolution (whether or not previous notice of the resolution was given); and

(b) the number of directors set under Article 14.4;

(3) if the Company is not a public company, the most recently set of:

(a) the number of directors set by ordinary resolution (whether or not previous notice of the resolution was given); and

(b) the number of directors set under Article 14.4.

13.2 Change in Number of Directors

If the number of directors is set under Articles 13.1(2)(a) or 13.1(3)(a):

(1) the shareholders may elect or appoint the directors needed to fill any vacancies in the board of directors up to that number;

(2) if the shareholders do not elect or appoint the directors needed to fill any vacancies in the board of directors up to that number contemporaneously with the setting of that number, then the directors, subject to Article 14.8, may appoint, or the shareholders may elect or appoint, directors to fill those vacancies.

13.3 Directors' Acts Valid Despite Vacancy

An act or proceeding of the directors is not invalid merely because fewer than the number of directors set or otherwise required under these Articles is in office.

13.4 Qualifications of Directors

A director is not required to hold a share of the Company as qualification for his or her office but must be qualified as required by the *Business Corporations Act* to become, act or continue to act as a director.

13.5 Remuneration of Directors

The directors are entitled to the remuneration for acting as directors, if any, as the directors may from time to time determine. If the directors so decide, the remuneration of the directors, if any, will be determined by the shareholders. That remuneration may be in addition to any salary or other remuneration paid to any officer or employee of the Company as such, who is also a director.

13.6 Reimbursement of Expenses of Directors

The Company must reimburse each director for the reasonable expenses that he or she may incur in and about the business of the Company.

13.7 Special Remuneration for Directors

If any director performs any professional or other services for the Company that in the opinion of the directors are outside the ordinary duties of a director, or if any director is otherwise specially occupied in or about the Company's business, he or she may be paid remuneration fixed by the directors, or, at the option of that director, fixed by ordinary resolution, and such remuneration may be either in addition to, or in substitution for, any other remuneration that he or she may be entitled to receive.

13.8 Gratuity, Pension or Allowance on Retirement of Director

Unless otherwise determined by ordinary resolution, the directors on behalf of the Company may pay a gratuity or pension or allowance on retirement to any director who has held any salaried office or place of profit with the Company or to his or her spouse or dependants and may make contributions to any fund and pay premiums for the purchase or provision of any such gratuity, pension or allowance.

PART 14
ELECTION AND REMOVAL OF DIRECTORS

14.1 Election at Annual General Meeting

At every annual general meeting and in every unanimous resolution contemplated by Article 10.2:

(1) the shareholders entitled to vote at the annual general meeting for the election of directors must elect, or in the unanimous resolution appoint, a board of directors consisting of the number of directors for the time being set under these Articles; and

(2) all the directors cease to hold office immediately before the election or appointment of directors under paragraph (1), but are eligible for re-election or re-appointment.

14.2 Consent to be a Director

No election, appointment or designation of an individual as a director is valid unless:

(1) that individual consents to be a director in the manner provided for in the *Business Corporations Act*;

(2) that individual is elected or appointed at a meeting at which the individual is present and the individual does not refuse, at the meeting, to be a director; or

(3) with respect to first directors, the designation is otherwise valid under the *Business Corporations Act*.

14.3 Failure to Elect or Appoint Directors

If:

(1) the Company fails to hold an annual general meeting, and all the shareholders who are entitled to vote at an annual general meeting fail to pass the unanimous resolution contemplated by Article 10.2, on or before the date by which the annual general meeting is required to be held under the *Business Corporations Act*; or

(2) the shareholders fail, at the annual general meeting or in the unanimous resolution contemplated by Article 10.2, to elect or appoint any directors;

then each director then in office continues to hold office until the earlier of:

(3) when his or her successor is elected or appointed; and

(4) when he or she otherwise ceases to hold office under the *Business Corporations Act* or these Articles.

14.4 Places of Retiring Directors Not Filled

If, at any meeting of shareholders at which there should be an election of directors, the places of any of the retiring directors are not filled by that election, those retiring directors who are not re-elected and who are asked by the newly elected directors to continue in office will, if willing to do so, continue in office to complete the number of directors for the time being set pursuant to these Articles until further new directors are elected at a meeting of shareholders convened for that purpose. If any such election or continuance of directors does not result in the election or continuance of the number of directors for the time being set pursuant to these Articles, the number of directors of the Company is deemed to be set at the number of directors actually elected or continued in office.

14.5 Directors May Fill Casual Vacancies

Any casual vacancy occurring in the board of directors may be filled by the directors.

14.6 Remaining Directors' Power to Act

The directors may act notwithstanding any vacancy in the board of directors, but if the Company has fewer directors in office than the number set pursuant to these Articles as the quorum of directors, the directors may only act for the purpose of appointing directors up to that number or of calling a meeting of shareholders for the purpose of filling any vacancies on the board of directors or, subject to the *Business Corporations Act*, for any other purpose.

14.7 Shareholders May Fill Vacancies

If the Company has no directors or fewer directors in office than the number set pursuant to these Articles as the quorum of directors, the shareholders may elect or appoint directors to fill any vacancies on the board of directors.

14.8 Additional Directors

Notwithstanding Articles 13.1 and 13.2, between annual general meetings or unanimous resolutions contemplated by Article 10.2, the directors may appoint one or more additional directors, but the number of additional directors appointed under this Article 14.8 must not at any time exceed:

(1) one-third of the number of first directors, if, at the time of the appointments, one or more of the first directors have not yet completed their first term of office; or

(2) in any other case, one-third of the number of the current directors who were elected or appointed as directors other than under this Article 14.8.

Any director so appointed ceases to hold office immediately before the next election or appointment of directors under Article 14.1(1), but is eligible for re-election or re- appointment.

14.9 Ceasing to be a Director

A director ceases to be a director when:

(1) the term of office of the director expires;

(2) the director dies;

(3) the director resigns as a director by notice in writing provided to the Company or a lawyer for the Company; or

(4) the director is removed from office pursuant to Articles 14.10 or 14.11.

14.10 Removal of Director by Shareholders

The Company may remove any director before the expiration of his or her term of office by special resolution. In that event, the shareholders may elect, or appoint by ordinary resolution, a director to fill the resulting vacancy. If the shareholders do not elect or appoint a director to fill the resulting vacancy contemporaneously with the removal, then the directors may appoint or the shareholders may elect, or appoint by ordinary resolution, a director to fill that vacancy.

14.11 Removal of Director by Directors

The directors may remove any director before the expiration of his or her term of office if the director is convicted of an indictable offence, or if the director ceases to be qualified to act as a director of a company and does not promptly resign, and the directors may appoint a director to fill the resulting vacancy.

PART 15
ALTERNATE DIRECTORS

15.1 Appointment of Alternate Director

Any director (an "appointor") may by notice in writing received by the Company appoint any person (an "appointee") who is qualified to act as a director to be his or her alternate to act in his or her place at meetings of the directors or committees of the directors at which the appointor is not present unless (in the case of an appointee who is not a director) the directors have reasonably disapproved the appointment of such person as an alternate director and have given notice to that effect to his or her appointor within a reasonable time after the notice of appointment is received by the Company.

15.2 Notice of Meetings

Every alternate director so appointed is entitled to notice of meetings of the directors and of committees of the directors of which his or her appointor is a member and to attend and vote as a director at any such meetings at which his or her appointor is not present.

15.3 Alternate for More Than One Director Attending Meetings

A person may be appointed as an alternate director by more than one director, and an alternate director:

(1) will be counted in determining the quorum for a meeting of directors once for each of his or her appointors and, in the case of an appointee who is also a director, once more in that capacity;

(2) has a separate vote at a meeting of directors for each of his or her appointors and, in the case of an appointee who is also a director, an additional vote in that capacity;

(3) will be counted in determining the quorum for a meeting of a committee of directors once for each of his or her appointors who is a member of that committee and, in the case of an appointee who is also a member of that committee as a director, once more in that capacity;

(4) has a separate vote at a meeting of a committee of directors for each of his or her appointors who is a member of that committee and, in the case of an appointee who is also a member of that committee as a director, an additional vote in that capacity.

15.4 Consent Resolutions

Every alternate director, if authorized by the notice appointing him or her, may sign in place of his or her appointor any resolutions to be consented to in writing.

15.5 Alternate Director Not an Agent

Every alternate director is deemed not to be the agent of his or her appointor.

15.6 Revocation of Appointment of Alternate Director

An appointor may at any time, by notice in writing received by the Company, revoke the appointment of an alternate director appointed by him or her.

15.7 Ceasing to be an Alternate Director

The appointment of an alternate director ceases when:

(1) his or her appointor ceases to be a director and is not promptly re-elected or re- appointed;

(2) the alternate director dies;

(3) the alternate director resigns as an alternate director by notice in writing provided to the Company or a lawyer for the Company;

(4) the alternate director ceases to be qualified to act as a director; or

(5) his or her appointor revokes the appointment of the alternate director.

15.8 Remuneration and Expenses of Alternate Director

The Company may reimburse an alternate director for the reasonable expenses that would be properly reimbursed if he or she were a director, and the alternate director is entitled to receive from the Company such proportion, if any, of the remuneration otherwise payable to the appointor as the appointor may from time to time direct.

PART 16
POWERS AND DUTIES OF DIRECTORS

16.1 Powers of Management

The directors must, subject to the *Business Corporations Act* and these Articles, manage or supervise the management of the business and affairs of the Company and have the authority to exercise all such powers of the Company as are not, by the *Business Corporations Act* or by these Articles, required to be exercised by the shareholders of the Company.

16.2 Appointment of Attorney of Company

The directors may from time to time, by power of attorney or other instrument, under seal if so required by law, appoint any person to be the attorney of the Company for such purposes, and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the directors under these Articles and excepting the power to fill vacancies in the board of directors, to remove a director, to change the membership of, or fill vacancies in, any committee of the directors, to appoint or remove officers appointed by the directors and to declare dividends) and for such period, and with such remuneration and subject to such conditions as the directors may think fit. Any such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorney as the directors think fit. Any such attorney may be authorized by the directors to sub-delegate all or any of the powers, authorities and discretions for the time being vested in him or her.

PART 17
INTERESTS OF DIRECTORS AND OFFICERS

17.1 Obligation to Account for Profits

A director or senior officer who holds a disclosable interest (as that term is used in the *Business Corporations Act*) in a contract or transaction into which the Company has entered or proposes to enter is liable to account to the Company for any profit that accrues to the director or senior officer under or as a result of the contract or transaction only if and to the extent provided in the *Business Corporations Act*.

17.2 Restrictions on Voting by Reason of Interest

A director who holds a disclosable interest in a contract or transaction into which the Company has entered or proposes to enter is not entitled to vote on any directors' resolution to approve that contract or transaction, unless all the directors have a disclosable interest in that contract or transaction, in which case any or all of those directors may vote on such resolution.

17.3 Interested Director Counted in Quorum

A director who holds a disclosable interest in a contract or transaction into which the Company has entered or proposes to enter and who is present at the meeting of directors at which the contract or transaction is considered for approval may be counted in the quorum at the meeting whether or not the director votes on any or all of the resolutions considered at the meeting.

17.4 Disclosure of Conflict of Interest or Property

A director or senior officer who holds any office or possesses any property, right or interest that could result, directly or indirectly, in the creation of a duty or interest that materially conflicts with that individual's duty or interest as a director or senior officer, must disclose the nature and extent of the conflict as required by the *Business Corporations Act*.

17.5 Director Holding Other Office in the Company

A director may hold any office or place of profit with the Company, other than the office of auditor of the Company, in addition to his or her office of director for the period and on the terms (as to remuneration or otherwise) that the directors may determine.

17.6 No Disqualification

No director or intended director is disqualified by his or her office from contracting with the Company either with regard to the holding of any office or place of profit the director holds with the Company or as vendor, purchaser or otherwise, and no contract or transaction entered into by or on behalf of the Company in which a director is in any way interested is liable to be voided for that reason.

17.7 Professional Services by Director or Officer

Subject to the *Business Corporations Act*, a director or officer, or any person in which a director or officer has an interest, may act in a professional capacity for the Company, except as auditor of the Company, and the director or officer or such person is entitled to remuneration for professional services as if that director or officer were not a director or officer.

17.8 Director or Officer in Other Corporations

A director or officer may be or become a director, officer or employee of, or otherwise interested in, any person in which the Company may be interested as a shareholder or otherwise, and, subject to the *Business Corporations Act*, the director or officer is not accountable to the Company for any remuneration or other benefits received by him or her as director, officer or employee of, or from his or her interest in, such other person.

PART 18
PROCEEDINGS OF DIRECTORS

18.1 Meetings of Directors

The directors may meet together for the conduct of business, adjourn and otherwise regulate their meetings as they think fit, and meetings of the directors held at regular intervals may be held at the place, at the time and on the notice, if any, as the directors may from time to time determine.

18.2 Voting at Meetings

Questions arising at any meeting of directors are to be decided by a majority of votes and, in the case of an equality of votes, the chair of the meeting does not have a second or casting vote.

18.3 Chair of Meetings

The following individual is entitled to preside as chair at a meeting of directors:

(1) the chair of the board, if any;

(2) in the absence of the chair of the board, the president, if any, if the president is a director; or

(3) any other director chosen by the directors if:

(a) neither the chair of the board nor the president, if a director, is present at the meeting within 15 minutes after the time set for holding the meeting;

(b) neither the chair of the board nor the president, if a director, is willing to chair the meeting; or

(c) the chair of the board and the president, if a director, have advised the secretary, if any, or any other director, that they will not be present at the meeting.

18.4 Meetings by Telephone or Other Communications Medium

A director may participate in a meeting of the directors or of any committee of the directors:

(1) in person;

(2) by telephone; or

(3) with the consent of all directors who wish to participate in the meeting, by other communications medium;

if all directors participating in the meeting, whether in person, or by telephone or other communications medium, are able to communicate with each other. A director who participates in a meeting in a manner contemplated by this Article 18.4 is deemed for all purposes of the *Business Corporations Act* and these Articles to be present at the meeting and to have agreed to participate in that manner.

18.5 Calling of Meetings

A director may, and the secretary or an assistant secretary of the Company, if any, on the request of a director must, call a meeting of the directors at any time.

18.6 Notice of Meetings

Other than for meetings held at regular intervals as determined by the directors pursuant to Article 18.1 or as provided in Article 18.7, reasonable notice of each meeting of the directors, specifying the place, day and time of that meeting must be given to each of the directors and the alternate directors by any method set out in Article 24.1 or orally or by telephone.

18.7 When Notice Not Required

It is not necessary to give notice of a meeting of the directors to a director or an alternate director if:

(1) the meeting is to be held immediately following a meeting of shareholders at which that director was elected or appointed, or is the meeting of the directors at which that director is appointed; or

(2) the director or alternate director, as the case may be, has waived notice of the meeting.

18.8 Meeting Valid Despite Failure to Give Notice

The accidental omission to give notice of any meeting of directors to, or the non-receipt of any notice by, any director or alternate director, does not invalidate any proceedings at that meeting.

18.9 Waiver of Notice of Meetings

Any director or alternate director may send to the Company a document signed by him or her waiving notice of any past, present or future meeting or meetings of the directors and may at any time withdraw that waiver with respect to meetings held after that withdrawal. After sending a waiver with respect to all future meetings and until that waiver is withdrawn, no notice of any meeting of the directors need be given to that director or, unless the director otherwise requires by notice in writing to the Company, to his or her alternate director, and all meetings of the directors so held are deemed not to be improperly called or constituted by reason of notice not having been given to such director or alternate director.

Attendance of a director or alternate director at a meeting of the directors is a waiver of notice of the meeting, unless that director or alternate director attends the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

18.10 Quorum

The quorum necessary for the transaction of the business of the directors may be set by the directors and, if not so set, is deemed to be set at two directors or, if the number of directors is set at one, is deemed to be set at one director, and that director may constitute a meeting.

18.11 Validity of Acts Where Appointment Defective

Subject to the *Business Corporations Act*, an act of a director or officer is not invalid merely because of an irregularity in the election or appointment or a defect in the qualification of that director or officer.

18.12 Consent Resolutions in Writing

A resolution of the directors or of any committee of the directors may be passed without a meeting:

(1) in all cases, if each of the directors entitled to vote on the resolution consents to it in writing; or

(2) in the case of a resolution to approve a contract or transaction in respect of which a director has disclosed that he or she has or may have a disclosable interest, if each of the other directors who have not made such a disclosure consents in writing to the resolution.

A consent in writing under this Article 18.12 may be by any written instrument, fax, e-mail or any other method of transmitting legibly recorded messages in which the consent of the director is evidenced, whether or not the signature of the director is included in the record. A consent in writing may be in two or more counterparts which together are deemed to constitute one consent in writing. A resolution of the directors or of any committee of the directors passed in accordance with this Article 18.12 is effective on the date stated in the consent in writing or on the latest date stated on any counterpart and is deemed to be a proceeding at a meeting of the directors or of the committee of the directors and to be as valid and effective as if it had been passed at a meeting of the directors or of the committee of the directors that satisfies all the requirements of the *Business Corporations Act* and all the requirements of these Articles relating to meetings of the directors or of a committee of the directors.

PART 19
EXECUTIVE AND OTHER COMMITTEES

19.1 Appointment and Powers of Executive Committee

The directors may, by resolution, appoint an executive committee consisting of the director or directors that they consider appropriate, and during the intervals between meetings of the board of directors all of the directors' powers are delegated to the executive committee, except:

(1) the power to fill vacancies in the board of directors;

(2) the power to remove a director;

(3) the power to change the membership of, or fill vacancies in, any committee of the directors; and

(4) such other powers, if any, as may be set out in the resolution or any subsequent directors' resolution.

19.2 Appointment and Powers of Other Committees

The directors may, by resolution:

(1) appoint one or more committees (other than the executive committee) consisting of the director or directors that they consider appropriate;

(2) delegate to a committee appointed under paragraph (1) any of the directors' powers, except:

(a) the power to fill vacancies in the board of directors;

(b) the power to remove a director;

(c) the power to change the membership of, or fill vacancies in, any committee of the directors; and

(d) the power to appoint or remove officers appointed by the directors; and

(3) make any delegation referred to in paragraph (2) subject to the conditions set out in the resolution or any subsequent directors' resolution.

19.3 Obligations of Committees

Any committee appointed under Articles 19.1 or 19.2, in the exercise of the powers delegated to it, must:

(1) conform to any rules that may from time to time be imposed on it by the directors; and

(2) report every act or thing done in exercise of those powers at such times as the directors may require.

19.4 Powers of Board

The directors may, at any time, with respect to a committee appointed under Articles 19.1 or 19.2:

(1) revoke or alter the authority given to the committee, or override a decision made by the committee, except as to acts done before such revocation, alteration or overriding;

(2) terminate the appointment of, or change the membership of, the committee; and

(3) fill vacancies in the committee.

19.5 Committee Meetings

Subject to Article 19.3(1) and unless the directors otherwise provide in the resolution appointing the committee or in any subsequent resolution, with respect to a committee appointed under Articles 19.1 or 19.2:

(1) the committee may meet and adjourn as it thinks proper;

(2) the committee may elect a chair of its meetings but, if no chair of a meeting is elected, or if at a meeting the chair of the meeting is not present within 15 minutes after the time set for holding the meeting, the directors present who are members of the committee may choose one of their number to chair the meeting;

(3) a majority of the members of the committee constitutes a quorum of the committee; and

(4) questions arising at any meeting of the committee are determined by a majority of votes of the members present, and in the case of an equality of votes, the chair of the meeting does not have a second or casting vote.

PART 20
OFFICERS

20.1 Directors May Appoint Officers

The directors may, from time to time, appoint such officers, if any, as the directors determine and the directors may, at any time, terminate any such appointment.

20.2 Functions, Duties and Powers of Officers

The directors may, for each officer:

(1) determine the functions and duties of the officer;

(2) delegate to the officer any of the powers exercisable by the directors on such terms and conditions and with such restrictions as the directors think fit; and

(3) revoke, withdraw, alter or vary all or any of the functions, duties and powers of the officer.

20.3 Qualifications

No officer may be appointed unless that officer is qualified in accordance with the *Business Corporations Act*. One person may hold more than one position as an officer of the Company. Any person appointed as the chair of the board or as a managing director must be a director. Any other officer need not be a director.

20.4 Remuneration and Terms of Appointment

All appointments of officers are to be made on the terms and conditions and at the remuneration (whether by way of salary, fee, commission, participation in profits or otherwise) that the directors think fit and are subject to termination at the pleasure of the directors, and an officer may in addition to such remuneration be entitled to receive, after he or she ceases to hold such office or leaves the employment of the Company, a pension or gratuity.

PART 21
INDEMNIFICATION

21.1 Definitions

In this Article 21:

(1) "eligible penalty" means a judgment, penalty or fine awarded or imposed in, or an amount paid in settlement of, an eligible proceeding;

(2) "eligible proceeding" means a legal proceeding or investigative action, whether current, threatened, pending or completed, in which a director, former director or alternate director of the Company (an "eligible party") or any of the heirs and legal personal representatives of the eligible party, by reason of the eligible party being or having been a director or alternate director of the Company:

(a) is or may be joined as a party; or

(b) is or may be liable for or in respect of a judgment, penalty or fine in, or expenses related to, the proceeding;

(3) "expenses" has the meaning set out in the *Business Corporations Act*.

21.2 Mandatory Indemnification of Directors

Subject to the *Business Corporations Act*, the Company must indemnify a director, former director or alternate director of the Company and his or her heirs and legal personal representatives against all eligible penalties to which such person is or may be liable, and the Company must, after the final disposition of an eligible proceeding, pay the expenses actually and reasonably incurred by such person in respect of that proceeding. Each director and alternate director is deemed to have contracted with the Company on the terms of the indemnity contained in this Article 21.2.

21.3 Permitted Indemnification

Subject to any restrictions in the *Business Corporations Act*, the Company may indemnify any person.

21.4 Non-Compliance with Business Corporations Act

The failure of a director, alternate director or officer of the Company to comply with the *Business Corporations Act* or these Articles or, if applicable, any former Companies Act or former Articles, does not invalidate any indemnity to which he or she is entitled under this Part 21.

21.5 Company May Purchase Insurance

The Company may purchase and maintain insurance for the benefit of any person (or his or her heirs or legal personal representatives) who:

(1) is or was a director, alternate director, officer, employee or agent of the Company;

(2) is or was a director, alternate director, officer, employee or agent of a corporation at a time when the corporation is or was an affiliate of the Company;

(3) at the request of the Company, is or was a director, alternate director, officer, employee or agent of a corporation or of a partnership, trust, joint venture or other unincorporated entity;

(4) at the request of the Company, holds or held a position equivalent to that of a director, alternate director or officer of a partnership, trust, joint venture or other unincorporated entity;

against any liability incurred by him or her as such director, alternate director, officer, employee or agent or person who holds or held such equivalent position.

PART 22
DIVIDENDS

22.1 Payment of Dividends Subject to Special Rights

The provisions of this Part 22 are subject to the rights, if any, of shareholders holding shares with special rights as to dividends.

22.2 Declaration of Dividends

Subject to the *Business Corporations Act*, the directors may from time to time declare and authorize payment of such dividends as they may consider appropriate.

22.3 No Notice Required

The directors need not give notice to any shareholder of any declaration under Article 22.2.

22.4 Record Date

The directors may set a date as the record date for the purpose of determining shareholders entitled to receive payment of a dividend. The record date must not precede the date on which the dividend is to be paid by more than two months. If no record date is set, the record date is 5 p.m. on the date on which the directors pass the resolution declaring the dividend.

22.5 Manner of Paying Dividend

A resolution declaring a dividend may direct payment of the dividend wholly or partly in money or by the distribution of specific assets or of fully paid shares or of bonds, debentures or other securities of the Company or any other corporation, or in any one or more of those ways.

22.6 Settlement of Difficulties

If any difficulty arises in regard to a distribution under Article 22.5, the directors may settle the difficulty as they deem advisable, and, in particular, may:

(1) set the value for distribution of specific assets;

(2) determine that money in substitution for all or any part of the specific assets to which any shareholders are entitled may be paid to any shareholders on the basis of the value so fixed in order to adjust the rights of all parties; and

(3) vest any such specific assets in trustees for the persons entitled to the dividend.

22.7 When Dividend Payable

Any dividend may be made payable on such date as is fixed by the directors.

22.8 Dividends to be Paid in Accordance with Number of Shares

All dividends on shares of any class or series of shares must be declared and paid according to the number of such shares held.

22.9 Receipt by Joint Shareholders

If several persons are joint shareholders of any share, any one of them may give an effective receipt for any dividend, bonus or other money payable in respect of the share.

22.10 Dividend Bears No Interest

No dividend bears interest against the Company.

22.11 Fractional Dividends

If a dividend to which a shareholder is entitled includes a fraction of the smallest monetary unit of the currency of the dividend, that fraction may be disregarded in making payment of the dividend and that payment represents full payment of the dividend.

22.12 Payment of Dividends

Any dividend or other distribution payable in money in respect of shares may be paid by cheque, made payable to the order of the person to whom it is sent, and mailed to the registered address of the shareholder, or in the case of joint shareholders, to the registered address of the joint shareholder who is first named on the central securities register, or to the person and to the address the shareholder or joint shareholders may direct in writing. The mailing of such cheque will, to the extent of the sum represented by the cheque (plus the amount of the tax required by law to be deducted), discharge all liability for the dividend unless such cheque is not paid on presentation or the amount of tax so deducted is not paid to the appropriate taxing authority.

22.13 Capitalization of Retained Earnings or Surplus

Notwithstanding anything contained in these Articles, the directors may from time to time capitalize any retained earnings or surplus of the Company and may from time to time issue, as fully paid, shares or any bonds, debentures or other securities of the Company as a dividend representing the retained earnings or surplus so capitalized or any part thereof.

PART 23
ACCOUNTING RECORDS AND AUDITOR

23.1 Recording of Financial Affairs

The directors must cause adequate accounting records to be kept to record properly the financial affairs and condition of the Company and to comply with the *Business Corporations Act*.

23.2 Inspection of Accounting Records

Unless the directors determine otherwise, or unless otherwise determined by ordinary resolution, no shareholder of the Company is entitled to inspect or obtain a copy of any accounting records of the Company.

23.3 Remuneration of Auditor

The directors may set the remuneration of the auditor of the Company.

PART 24
NOTICES

24.1 Method of Giving Notice

Unless the *Business Corporations Act* or these Articles provide otherwise, a notice, statement, report or other record required or permitted by the *Business Corporations Act* or these Articles to be sent by or to a person may be sent by any one of the following methods:

(1) mail addressed to the person at the applicable address for that person as follows:

(a) for a record mailed to a shareholder, the shareholder's registered address;

(b) for a record mailed to a director or officer, the prescribed address for mailing shown for the director or officer in the records kept by the Company or the mailing address provided by the recipient for the sending of that record or records of that class;

(c) in any other case, the mailing address of the intended recipient;

(2) delivery at the applicable address for that person as follows, addressed to the person:

(a) for a record delivered to a shareholder, the shareholder's registered address;

(b) for a record delivered to a director or officer, the prescribed address for delivery shown for the director or officer in the records kept by the Company or the delivery address provided by the recipient for the sending of that record or records of that class;

(c) in any other case, the delivery address of the intended recipient;

(3) unless the intended recipient is the auditor of the Company, sending the record by fax to the fax number provided by the intended recipient for the sending of that record or records of that class;

(4) unless the intended recipient is the auditor of the Company, sending the record by e- mail to the e-mail address provided by the intended recipient for the sending of that record or records of that class;

(5) physical delivery to the intended recipient.

24.2 Deemed Receipt

A notice, statement, report or other record that is:

(1) mailed to a person by ordinary mail to the applicable address for that person referred to in Article 24.1 is deemed to be received by the person to whom it was mailed on the day, Saturdays, Sundays and holidays excepted, following the date of mailing;

(2) faxed to a person to the fax number provided by that person referred to in Article 24.1 is deemed to be received by the person to whom it was faxed on the day it was faxed; and

(3) e-mailed to a person to the e-mail address provided by that person referred to in Article 24.1 is deemed to be received by the person to whom it was e-mailed on the day it was e-mailed.

24.3 Certificate of Sending

A certificate signed by the secretary, if any, or other officer of the Company or of any other corporation acting in that capacity on behalf of the Company stating that a notice, statement, report or other record was sent in accordance with Article 24.1 is conclusive evidence of that fact.

24.4 Notice to Joint Shareholders

A notice, statement, report or other record may be provided by the Company to the joint shareholders of a share by providing such record to the joint shareholder first named in the central securities register in respect of the share.

24.5 Notice to Legal Personal Representatives and Trustees

A notice, statement, report or other record may be provided by the Company to the persons entitled to a share in consequence of the death, bankruptcy or incapacity of a shareholder by:

(1) mailing the record, addressed to them:

(a) by name, by the title of the legal personal representative of the deceased or incapacitated shareholder, by the title of trustee of the bankrupt shareholder or by any similar description; and

(b) at the address, if any, supplied to the Company for that purpose by the persons claiming to be so entitled; or

(2) if an address referred to in paragraph (1)(b) has not been supplied to the Company, by giving the notice in a manner in which it might have been given if the death, bankruptcy or incapacity had not occurred.

24.6 Undelivered Notices

If, on two consecutive occasions, a notice, statement, report or other record is sent to a shareholder pursuant to Article 24.1 and on each of those occasions any such record is

returned because the shareholder cannot be located, the Company shall not be required to send any further records to the shareholder until the shareholder informs the Company in writing of his or her new address.

PART 25
SEAL

25.1 Who May Attest Seal

Except as provided in Articles 25.2 and 25.3, the Company's seal, if any, must not be impressed on any record except when that impression is attested by the signatures of:

(1) any two directors;

(2) any officer, together with any director;

(3) if the Company only has one director, that director; or

(4) any one or more directors or officers or persons as may be determined by the directors.

25.2 Sealing Copies

For the purpose of certifying under seal a certificate of incumbency of the directors or officers of the Company or a true copy of any resolution or other document, despite Article 25.1, the impression of the seal may be attested by the signature of any director or officer or the signature of any other person as may be determined by the directors.

25.3 Mechanical Reproduction of Seal

The directors may authorize the seal to be impressed by third parties on share certificates or bonds, debentures or other securities of the Company as they may determine appropriate from time to time. To enable the seal to be impressed on any share certificates or bonds, debentures or other securities of the Company, whether in definitive or interim form, on which facsimiles of any of the signatures of the directors or officers of the Company are, in accordance with the *Business Corporations Act* or these Articles, printed or otherwise mechanically reproduced, there may be delivered to the person employed to engrave, lithograph or print such definitive or interim share certificates or bonds, debentures or other securities one or more unmounted dies reproducing the seal and such persons as are authorized under Article 25.1 to attest the Company's seal may in writing authorize such person to cause the seal to be impressed on such definitive or interim share certificates or bonds, debentures or other securities by the use of such dies. Share certificates or bonds, debentures or other securities to which the seal has been so impressed are for all purposes deemed to be under and to bear the seal impressed on them.

PART 26
PROHIBITIONS

26.1 Definitions

In this Part 26:

(1) "security" has the meaning assigned in the *Securities Act*;

(2) "transfer restricted security" means

(a) a share of the Company;

(b) a security of the Company convertible into shares of the Company;

(c) any other security of the Company which must be subject to restrictions on transfer in order for the Company to satisfy the requirement for restrictions on transfer under the "private issuer" exemption of Canadian securities legislation or under any other exemption from prospectus or registration requirements of Canadian securities legislation similar in scope and purpose to the "private issuer" exemption.

26.2 Application

Article 26.3 does not apply to the Company if and for so long as it is a public company.

26.3 Consent Required for Transfer of Shares or Transfer Restricted Securities

No share or other transfer restricted security may be sold, transferred or otherwise disposed of without the consent of the directors and the directors are not required to give any reason for refusing to consent to any such sale, transfer or other disposition.

Dated February 27, 2018.

FULL NAME AND SIGNATURE
OF INCORPORATOR

SE Corporate Services Ltd.

Per: _____
Authorized Signatory

June 12, 2020
For Immediate Release

THE REAL BROKERAGE TO BEGIN TRADING ON THE TSX VENTURE EXCHANGE

Toronto, Ontario; New York, New York – June 12, 2020 – The Real Brokerage Inc. (formerly, ADL Ventures Inc.) (TSXV: REAX) ("**TRB"** or the "**Company**"), a national, technology-powered real estate brokerage in the U.S., announced that it will commence trading as a Tier 1 company on the TSX Venture Exchange ("**TSXV**") under the new symbol "**REAX**" effective at the market opening today.

The Real Brokerage Inc. is the parent company of Real Technology Broker Ltd. and its US subsidiaries, (collectively "**Real**"). Founded in 2014, Real is a fast-growing, technology-powered real estate brokerage. While 89% of buyers purchase their home through an agent according to the National Association of Realtors, brick-and-mortar brokerages with high overhead costs are losing agents to innovators who offer more attractive commission splits and high-value service.

Real provides real estate agents with a turnkey platform to run their businesses, using mobile technology to deliver quality service without physical offices. Real uses the savings on overhead to provide agents with premium tools and support while also paying a high commission split.

Today's listing marks the beginning of a new chapter in Real's journey. As a publicly-traded company, Real expects to create new ways to attract and retain agents.

"We believe that real estate agents deserve a better service and more compelling financial opportunities, and our rapid growth is a testament of our continued success," said Tamir Poleg, co-founder and CEO of Real.

Real agents earn a share of the revenue produced by agents they attract to the company, helping to fuel growth of a network currently comprising 1000+ agents in 20 US states and the District of Columbia.

Real's business model and growth have been broadly recognized. Real was named as an *Inc. 500* fastest-growing private company in 2019, a *Real Trends 500* top brokerage firm in 2020, and a *Financial Times Americas' Fastest Growing Companies* in 2020.

The Real Brokerage Inc. closed its previously announced "Qualifying Transaction", as such term is defined under Policy 2.4 – Capital Pool Companies of the TSX Venture Exchange. Real is following the lead of other disruptive companies, opting for a listing on TSX-V that better meets the needs of its investors, rather than going through a traditional initial public offering.

About Real

Real was founded in 2014 and its principal business headquarters are in New York. Real is a technology-powered real estate brokerage in 20 US states and the District of Columbia. Real is on a mission to make agents' lives better, creating financial opportunities for agents through higher commission splits, best-in-class technology, revenue sharing and equity incentives.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Contact Information

For more details, please contact:

The Real Brokerage Inc.
Lynda Radosevich
lynda@joinreal.com
917-922-7020

Forward-Looking Information

This press release contains forward-looking information based on current expectations. Statements about the date of trading of the Company's common shares on the TSXV, among others, are forward-looking information. These statements should not be read as guarantees of future performance or results. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those implied by such statements. The Company assumes no responsibility to update or revise forward looking information to reflect new events or circumstances unless required by law.

June 18, 2020
For Immediate Release

THE REAL BROKERAGE – CORPORATE UPDATE

Toronto, Ontario; New York, New York – June 18, 2020 – The Real Brokerage Inc. (formerly, ADL Ventures Inc.) (TSXV: REAX) ("**TRB"** or the "**Company**"), a national, technology-powered real estate brokerage in the U.S. announced that it has granted an aggregate of 5,850,000 stock options (the "Options") to certain directors and officers. The Options are exercisable into common shares of the Company for a period of 10 years at an exercise price of $0.27 per share. The Options vest over a period of up to 36 months, with the exception of Options granted to the Chief Executive Officer which vest over a period of up to 48 months.

The Company also announced that it engaged Independent Trading Group, Inc. ("**ITG**") to provide market-making services to the Company for a three month renewable term in consideration of industry standard service fees. ITG will trade shares of the Company on the TSX Venture Exchange ("**TSXV**") in compliance with the policies and guidelines of the TSXV and other applicable legislation with the objective of maintaining a reasonable market and improving the liquidity of the Common shares. ITG is an independent, privately held broker- dealer based in Toronto, Ontario that provides a wide range of financial services and is registered with the Toronto Stock Exchange, the TSXV and the Investment Industry Regulatory Organization of Canada (IIROC).

About Real

Real was founded in 2014 and its principal business headquarters are in New York. Real is a technology-powered real estate brokerage in 20 US states and the District of Columbia. Real is on a mission to make agents' lives better, creating financial opportunities for agents through higher commission splits, best-in-class technology, revenue sharing and equity incentives.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Contact Information

For more details, please contact:

The Real Brokerage Inc.
Lynda Radosevich
lynda@joinreal.com
917-922-7020

Forward-Looking Information

This press release contains forward-looking information based on current expectations. These statements should not be read as guarantees of future performance or results. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those implied by such statements. The Company assumes no responsibility to update or revise forward looking information to reflect new events or circumstances unless required by law.

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1 — Name and Address of Company

The Real Brokerage Inc. (*formerly "ADL Ventures Inc."*), (the "**Company**")
133 Richmond Street West, Suite 302
Toronto, Ontario M5H 2L3

Item 2 — Date of Material Change

June 5, 2020

Item 3 — News Release

The press release disclosing the material changes was released on June 5, 2020 through the services of Cision.

Item 4 — Summary of Material Change

The Company announced that it has completed its previously announced acquisition of all of the issued and outstanding securities of Real Technology Broker Ltd. ("**Real**"), as the Company's "**Qualifying Transaction**" as such term is defined under Policy 2.4 – Capital Pool Companies of the TSX Venture Exchange (the "**Exchange**" or "**TSXV**"). The common shares of the Company ("**Common Shares**") resumed trading on the TSXV on June 12, 2020 under the new name "The Real Brokerage Inc." with the trading symbol "REAX". Following completion of the Qualifying Transaction, the Company will continue the business of Real.

Concurrently with the completion of the Qualifying Transaction, the Company completed a non-brokered private placement financing of approximately US$1,600,000 in subscription receipts (the "**Subscription Receipts**") at a price of US$0.0765 per Subscription Receipt (the "**Private Placement**"). The Subscription Receipts automatically exercised into Common Shares upon completion of the Qualifying Transaction. The Common Shares issued pursuant to the Private Placement are subject to a six month hold period from the date of closing of the Private Placement comprised of a 4 month regulatory hold period plus an additional two month hold period based on contractual lock-up commitments of the subscribers.

Following completion of the Qualifying Transaction, the Company also announced that the board of directors will consist of Tamir Poleg (Chairman), Guy Gamzu, Larry Klane and Laurence Rose. Tamir Poleg is the Chief Executive Officer, Gus Patel is the Chief Financial Officer and Corporate Secretary and Lynda Radosevich is the Chief Marketing Officer.

Item 5 — Full Description of Material Change

5.1 — Full Description of Material Change

On June 5, 2020, the Company announced that it had completed its previously announced acquisition of all of the issued and outstanding securities of Real as the Company's Qualifying Transaction. The Common Shares resumed trading on June 12, 2020 under the new name "The Real Brokerage Inc." with the trading symbol "REAX". Following completion of the Qualifying Transaction, the Company will continue the business of Real.

Pursuant to the terms of the Securities Exchange Agreement dated March 5, 2020 (the "**SEA**"), the Company acquired all of the issued and outstanding Real common shares (the "**Real Shares**") by way of a securities exchange (the "**Transaction**") on the basis of 1.0083 Common Shares for each Real Share (the "**Exchange Ratio**"), giving effect to a deemed value of $0.25 per Common Share. All outstanding stock options and warrants of Real were exchanged for options ("**Options**") and warrants of the Company at the Exchange Ratio. Upon completion of the Qualifying Transaction, there were 140,137,580 Common Shares issued and outstanding.

On completion of the Qualifying Transaction, the shareholders of Real hold approximately 92% of the issued and outstanding Common Shares and previous shareholders of the Company own approximately 8% of the issued and outstanding Common Shares on a non-diluted basis not including shares issued pursuant to the Private Placement.

Pursuant to the terms of an escrow agreement dated June 5, 2020 among the Company, Computershare Trust Company of Canada as escrow agent and certain escrow securityholders, certain Common Shares and Options were placed in escrow to be released in 25% tranches over 18 months from the date of the Exchange Bulletin (as defined below).

Concurrently with the completion of the Qualifying Transaction, the Company completed the Private Placement of approximately US$1,600,000 in Subscription Receipts at a price of US$0.0765 per Subscription Receipt. The Subscription Receipts automatically exercised into Common Shares upon completion of the Qualifying Transaction. The Common Shares issued pursuant to the Private Placement are subject to a six month hold period from the date of closing of the Private Placement comprised of a 4 month regulatory hold period plus an additional two month hold period based on contractual lock-up commitments of the subscribers.

Following completion of the Qualifying Transaction, the Company also announced that the board of directors will consist of Tamir Poleg (Chairman), Guy Gamzu, Larry Klane and Laurence Rose. Tamir Poleg is the Chief Executive Officer, Gus Patel is the Chief Financial Officer and Corporate Secretary and Lynda Radosevich is the Chief Marketing Officer.

The final bulletin (the "**Exchange Bulletin**") was issued by the TSXV on June 10, 2020. Upon re- commencement of trading on June 12, 2020, the Company was classified as Tier 1 pursuant to the TSXV policies.

Additional information about the Company, Real and the Qualifying Transaction can be found in the Company's filing statement dated May 26, 2020, available under the Company's profile at www.sedar.com.

5.2 — Disclosure for Restructuring Transactions

The Qualifying Transaction provided for the acquisition of all of the outstanding securities of Real by the Company in a transaction in which the shareholders of Real received like securities of the Company. As a result of the Qualifying Transaction, the Company became the sole beneficial owner of all of the outstanding securities of the Real. The Company is the parent company of Real and will continue its business.

Item 6 — Item 6. Reliance on Subsection 7.1(2) or (3) of National Instrument 51-102 – Continuous

Not applicable.

Item 7 — Omitted Information

No information has been omitted from this material change report.

Item 8 — Executive Officer

Tamir Poleg
Chief Executive Officer
Tel: 646-469-7107

Item 9 — Date of Report

June 19, 2020

June 19, 2020

Computershare
100 University Avenue, 8th floor
Toronto ON, M5J 2Y1
www.computershare.com

To: All Canadian Securities Regulatory Authorities

Subject: THE REAL BROKERAGE INC.

Dear Sir/Madam:

We advise of the following with respect to the upcoming Meeting of Security Holders for the subject Issuer:

Meeting Type :	Annual General and Special Meeting
Record Date for Notice of Meeting :	July 16, 2020
Record Date for Voting (if applicable) :	July 16, 2020
Beneficial Ownership Determination Date :	July 16, 2020
Meeting Date :	August 20, 2020
Meeting Location (if available) :	Toronto ON
Issuer sending proxy related materials directly to NOBO:	No
Issuer paying for delivery to OBO:	Yes

Notice and Access (NAA) Requirements:

NAA for Beneficial Holders	No
NAA for Registered Holders	No

Voting Security Details:

Description	CUSIP Number	ISIN
COMMON SHARE	75585H107	CA75585H1073

Sincerely,

Computershare
Agent for THE REAL BROKERAGE INC.

THE REAL BROKERAGE INC.
NOTICE OF CHANGE OF AUDITOR

TO: Smythe LLP

AND TO: Brightman Almagor Zohar & Co.

AND TO: British Columbia Securities Commission
Alberta Securities Commission
Ontario Securities Commission
TSX Venture Exchange

The Real Brokerage Inc. (formerly ADL Ventures Inc.) (the "**Company**") gives the following notice in accordance with 4.11 of National Instrument 51-102 – *Continuous Disclosure Obligations* (**NI 51-102**):

1. The Company has decided to change its auditor from Smythe LLP (the "**Former Auditor"**) to Brightman Almagor Zohar & Co. (the "**Successor Auditor**"). Consequently, on June 8, 2020, the Company asked the Former Auditor to resign. The Former Auditor submitted their resignation effective June 5, 2020. Pursuant to the *Business Corporations Act* (British Columbia), the directors are entitled to fill any casual vacancy in the office of the new auditor. The Successor Auditor has agreed to its appointment as the Company's new auditor.

2. The Former Auditor resigned at the Company's request.

3. The making of the Company's request for the Former Auditor to resign as auditor of the Company and the appointment of the Successor Auditor as auditor of the Company, were considered and approved by the Audit Committee of the Board of Directors of the Company and also by the Board of the Directors of the Company.

4. There were no modified opinions in the Former Auditor's reports in connection with the audits of the Company's fiscal year ended December 31, 2019 and fiscal period ended December 31, 2018. There have been no further audits of financial statements subsequent to the Company's most recently completed fiscal year and ending on the date of the Former Auditor's resignation.

5. There are no "reportable events", as defined in NI 51-102.

DATED as of this 8th day of June, 2020.

THE REAL BROKERAGE INC.
(FORMERLY ADL VENTURES INC.)

/s/ "Tamir Poleg"
Name: Tamir Poleg
Title: Chief Executive Officer

SECURITIES EXCHANGE AGREEMENT

Made as of the 5th day of March, 2020

Between

REAL TECHNOLOGY BROKER LTD.

and

ALL OF THE SHAREHOLDERS OF REAL TECHNOLOGY BROKER LTD. NAMED ON SCHEDULE "A" ATTACHED HERETO

and

ADL VENTURES INC.

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SECURITIES EXCHANGE AGREEMENT

This Agreement is made as of the 5th day of March, 2020, between

REAL TECHNOLOGY BROKER LTD. a company existing under the laws of Israel ("REAL")

and

ALL OF THE SHAREHOLDERS OF REAL TECHNOLOGY BROKER LTD. NAMED ON SCHEDULE "A" ATTACHED HERETO
(the **"REAL Shareholders")**

and

ADL VENTURES INC.
a corporation incorporated under the laws of the Province of British Columbia ("**ADL**")

WHEREAS the Shareholders are the registered owners of all of the issued and outstanding shares of REAL being 41,797,000 ordinary shares and 63,921,029 preferred shares in the aggregate (each, **a "Purchased Share"** and collectively, the **"Purchased Shares");**

AND WHEREAS ADL is a reporting issuer in the provinces of British Columbia, Alberta, and Ontario whose common shares are listed on the TSXV (as defined below);

AND WHEREAS ADL, REAL and the REAL Shareholders wish to enter into this agreement in respect of the exchange of securities on the terms and conditions herein contained;

AND WHEREAS ADL intends to acquire all of the issued and outstanding REAL Shares issued and outstanding at the Closing Time in exchange for the issuance of the Consideration Shares (as defined below) to all of the REAL Shareholders (the "**Share Exchange**") for the purposes of effecting a "**Qualifying Transaction**" within the meaning of TSXV Policy – 2.4 *Capital Pool Companies*;

AND WHEREAS following such transactions, ADL will directly own all of the REAL Shares, and the REAL Shareholders will in the aggregate then own a sufficient number of ADL Shares so as to exercise control over ADL;

NOW THEREFORE, in consideration of the premises and the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby covenant and agree as follows.

FOR VALUE RECEIVED, the parties agree as follows:

ARTICLE 1 INTERPRETATION

Section 1.1 Definitions

For all purposes of this Agreement the following capitalized terms shall have the meanings set forth in this Article 1:

"**ADL Assets**" means the assets of ADL including but not limited to cash and cash equivalents all as more particularly described in the ADL Financial Statements.

"**ADL Financial Statements**" means the audited financial statements of ADL for the years ended December 31, 2018 and 2017 including the report of the auditors thereon, and the unaudited financial statements for the nine-months ended September 30, 2019 and 2018, as disclosed by ADL on SEDAR.

"**ADL Name Change**" means the change in name of ADL to Real Technology Brokerage Inc. or such other name as may be determined by Real and acceptable to the regulatory authorities upon completion of the Qualifying Transaction.

"**ADL Private Placement**" means a private placement of ADL Subscription Receipts at a price of US $0.1385 per ADL Subscription Receipts for gross proceeds of up to US $1,600,000 (or the Canadian dollar equivalent thereof) or such other amount as may be agreed to by ADL and REAL to close on or prior to Closing.

"**ADL Shares**" means the common shares in the capital of ADL.

"**ADL Subscription Receipts**" means subscription receipts of ADL offered pursuant to the ADL Private Placement each of which is automatically exercisable, for no additional consideration, into one ADL Share upon satisfaction of certain escrow release conditions including the completion of the Share Exchange and the receipt of all corporate, regulatory and TSXV approvals relating to the Share Exchange.

"**Affiliate**" of an entity means any Person directly or indirectly controlling, controlled by or under direct or indirect common control with such entity.

"**Applicable Securities Laws**" means the securities laws, the regulations, rules, rulings and orders in Israel and the Provinces of British Columbia, Alberta and Ontario, the applicable policy statements issued by the securities regulators in Israel and the Provinces of British Columbia, Alberta and Ontario.

"**Articles**" means the articles of association (as amended), certificate of incorporation (as amended), articles of organization (as amended), constitution, operating agreement, joint venture or partnership agreement or articles or other constituting document of any Person other than an individual, each as from time to time amended or modified.

"**BCBCA**" means the *Business Corporations Act* (British Columbia).

"**Business Day**" means a day, excluding Friday, Saturday and Sunday, on which banking institutions are open for business in Toronto, Ontario and Israel.

"**Canadian GAAS**" means generally accepted auditing standards determined with reference to the Handbook of the Canadian Institute of Chartered Accountants, as amended from time to time.

"**Change of Control**" means the acquisition, directly or indirectly, of beneficial ownership of voting securities that results in a holding of more than 20% of the issued and outstanding voting securities of REAL by a third party, other than in connection with this Agreement or an internal corporate reorganization.

"**Closing**" means the closing of the exchange of securities between the REAL Shareholders and ADL pursuant to the terms of this Agreement.

"**Closing Date**" means such date as REAL and ADL shall determine, provided that the Closing Date shall be on a Business Day not later than April 30, 2020 or such other date as REAL and ADL may agree.

"**Closing Time**" means 10:00 a.m. (Toronto time) on the Closing Date.

"**Consideration Shares**" means the ADL Shares to be issued to holders of REAL Shares pursuant to Section 2.1.

"**Control**" in respect of a Person (including the terms "**controlled by**" and "**under common control with**") means the possession, directly or indirectly, or the power to direct or cause the direction of the management and policies of a Person, whether through ownership of voting securities, by contract or by other arrangement.

"**Disclosure Document**" means the disclosure document of ADL required to be prepared in connection with the Qualifying Transaction, which complies with the form and content requirements of a filing statement pursuant to Policy 2.4.

"**Distribution**" means: (a) the declaration or payment of any dividend in cash, securities or property on or in respect of any class of securities of the Person or its Subsidiaries; (b) the purchase, redemption or other retirement of any securities of the Person or its Subsidiaries, directly or indirectly; or (c) any other distribution on or in respect of any class of securities of the Person or its Subsidiaries.

"**Dollars**" and "**$**" means Canadian dollars, unless otherwise specified.

"**Environmental Laws**" means all applicable Laws relating to the protection of human health and safety, the environment or natural environment (as defined in all such Laws including air, surface water, ground water, land surface, soil, and subsurface strata), or hazardous or toxic substances or wastes, pollutants or contaminants.

"**IFRS**" means International Financial Reporting Standards.

"**Income Tax Act**" means the *Income Tax Act* (Canada), as amended from time to time.

"**Indebtedness**" means all obligations, contingent (to the extent required to be reflected in financial statements prepared in accordance with IFRS) and otherwise, which in accordance with IFRS should be classified on the obligor's balance sheet as liabilities, including without limitation, in any event and whether or not so classified: (a) all debt and similar monetary obligations, whether direct or indirect; (b) all liabilities secured by any mortgage, pledge, security interest, lien, charge or other encumbrance existing on property owned or acquired subject thereto, whether or not the liability secured thereby shall have been assumed; (c) all agreements of guarantee, support, indemnification, assumption or endorsement and other contingent obligations whether direct or indirect in respect of Indebtedness or performance of others, including any obligation to supply funds to or in any manner to invest in, directly or indirectly, the debtor, to purchase Indebtedness, or to assure the owner of Indebtedness against loss, through an agreement to purchase goods, supplies or services for the purpose of enabling the debtor to make payment of the Indebtedness held by such owner or otherwise; (d) obligations to reimburse issuers of any letters of credit; and (e) capital leases.

"**Intangible Property**" means all patents, patentable subject matter, copyrights, registered and unregistered trade-marks, service marks, domain names, trade-names, logos, commercial symbols, industrial designs (including applications for all of the foregoing and renewals, divisions, extensions and reissues, where applicable, relating thereto), inventions, licences, sublicences, trade secrets, know how, confidential and proprietary information, patterns, drawings, computer software, databases and all other intellectual property, whether registered or not, owned by, licensed to or used by a Person, where and to the extent that the loss of such ownership or license rights or rights to use would have or would be reasonably expected to have a Material Adverse Effect on such Person, in any format or medium whatsoever.

"**Laws**" mean all federal, provincial, state, municipal or local laws, rules, regulations, statutes, by- laws, ordinances, policies or orders of any federal, provincial, state, regional or local government or any subdivision thereof or any arbitrator, court, administrative or regulatory agency, commission, department, board or bureau or body or other government or authority or instrumentality or any entity or Person exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

"**Lien**" means: (a) any encumbrance, mortgage, pledge, hypothecation, prior claim, lien, charge or other security interest of any kind upon any property or assets of any character, or upon the income or profits therefrom; (b) any acquisition of or agreement to have an option to acquire any property or assets upon conditional sale or other title retention agreement, device or arrangement (including a capitalized lease); or (c) any sale, assignment, pledge or other transfer for security of any accounts, general intangibles or chattel paper, with or without recourse.

"**Material Adverse Effect**" in respect of a Person means any change, effect, event, occurrence, condition or development that would have, individually or in the aggregate, a material and adverse impact on the business, operations, results of operations, assets, capitalization or financial condition of such Person, other than any change, effect, event, occurrence or state of facts relating to the global economy or securities markets in general.

"**Material Contract**" means a contract of REAL effective as at the Closing Date which involves or may reasonably be expected to involve the payment to or by REAL of more than CAD$200,000 over the term of that contract or is otherwise material to the operation of the REAL business but does not include any written agreements entered into with employees or consultants or the employee plans or contracts entered into in the Ordinary Course of Business.

"**Material Fact**" means a fact that would reasonably be expected to have a significant effect on the market price or value of the REAL Shares.

"**Ordinary Course of Business**" means activities that are routine or that occur with regularity in the ordinary course of the business of REAL or ADL, as applicable, and in a manner consistent with the usual custom and past practice of REAL or ADL, as applicable.

"Permitted Liens" means:

(a) undetermined or inchoate Liens and charges incidental to construction, maintenance or operations or otherwise relating to the Ordinary Course of Business which have not at the time been filed pursuant to law;

(b) Liens for taxes and assessments for the then current year, Liens for taxes and assessments not at the time overdue, Liens securing worker's compensation assessments and Liens for specified taxes and assessments which are overdue (and which have been disclosed to the other parties to this Agreement) but the validity of which is being contested at the time in good faith, if the Person shall have made on its books provision reasonably deemed by it to be adequate therefor;

(c) cash or governmental obligations deposited in the ordinary course of business in connection with contracts, bids, tenders or to secure worker's compensation, unemployment insurance, surety or appeal bonds, costs of litigation, when required by law, public and statutory obligations, Liens or claims incidental to current construction, and mechanics', warehousemen's, carriers' and other similar Liens;

(d) all rights reserved to or vested in any governmental body by the terms of any lease, licence, franchise, grant or permit held by it or by any statutory provision to terminate any such lease, licence, franchise, grant or permit or to require annual or periodic payments as a condition of the continuance thereof or to distrain against or to obtain a Lien on any of its property or assets in the event of failure to make such annual or other periodic payments; and

(e) Purchase Money Obligations.

"**Person**" means an individual, partnership, corporation, association, trust, joint venture, unincorporated organization and any government, governmental department or agency or political subdivision thereof.

"**Policy 2.4**" means TSXV Policy – 2.4 *Capital Pool Companies.*

"**Purchase Money Obligations**" means Indebtedness of a debtor, reflected in the debtor's financial statements, and incurred or assumed to finance the purchase or acquisition, in whole or in part, of any tangible real or personal property or incurred to finance the cost, in whole or in part, of the construction or installation of any tangible personal property, provided, however, that such Indebtedness is incurred or assumed at the time of or within 30 days after the purchase of such property or the completion of such construction or installation, as the case may be, and includes any extension, renewal or refinancing of any such Indebtedness so long as the principal amount thereof outstanding at the date of such extension, renewal or refinancing is not increased.

"**Purchased Share**" has the meaning given to such term in the recitals to this Agreement.

"**Qualifying Transaction**" has the meaning given to such term in the recitals to this Agreement.

"**REAL**" means Real Technology Broker Ltd., a company existing under the laws of Israel.

"**REAL Assets**" means, collectively, the REAL Intangible Property and the REAL Tangible Property all as more particularly described in the Real Financial Statements.

"**REAL Financial Statements**" means the audited financial statements of REAL for the years ended December 31, 2018 and 2017, and the unaudited financial statements for the nine months ended September 30, 2019, as disclosed to ADL.

"**REAL Intangible Property**" means all Intangible Property owned by, licensed to or used by REAL or any REAL Subsidiary, in any format or medium whatsoever.

"**REAL LLC**" means Real Broker LLC, a company existing under the laws of the State of Texas, a wholly-owned subsidiary of REAL.

"**REAL Private Placement**" means a private placement of debt securities or a convertible loan issued by REAL for gross proceeds of up to US $200,000 that is convertible into REAL Shares at a price of US $0.133 per REAL Share immediately prior to the completion of the Qualifying Transaction.

"**REAL Shareholders**" means the holders of all the REAL Shares as of the Closing Time.

"**REAL Shares**" means, collectively, the issued and outstanding ordinary and preferred shares of REAL.

"**REAL Subsidiaries**" means, collectively, REAL LLC, Real Broker MA, LLC, Real Broker Commercial LLC, Real Broker NY, LLC, Real Broker CT, LLC and Real Broker Technologies Inc.

"**REAL Tangible Property**" means all assets owned by REAL or the REAL Subsidiaries other than the REAL Intangible Property.

"**Resulting Issuer**" means ADL upon completion of the transactions contemplated herein.

"**Securities Commissions**" means the Ontario Securities Commission, the Alberta Securities Commission and the British Columbia Securities Commission.

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval.

"**Share Exchange**" means the share exchange of REAL Shares for ADL Shares, all as provided for herein, pursuant to which ADL will directly and indirectly own all of the REAL Shares and, following the closing of the transactions contemplated herein, the REAL Shareholders will own a sufficient number of common shares of ADL so as to exercise control over ADL.

"**Subsidiary**" shall have the same meaning as the term "subsidiary companies" in the *Securities Act* (Ontario).

"**Tax**" or "**Taxes**" means all taxes, charges, fees, levies, imposts and other assessments, including all income, sales, use, goods and services, value added, capital, capital gains, alternative net worth, transfer, profits, withholding, payroll, employer health, employer safety, workers compensation, excise, immovable property and moveable property taxes, and any other taxes, customs duties, fees, assessments or similar charges in the nature of a tax including Israeli Pension Plan, Canada Pension Plan, Social Security and provincial plan contributions and workers compensation premiums, together with any interest, fines and penalties imposed by any governmental authority (including federal, provincial, municipal and foreign governmental authorities), and whether disputed or not.

"**Tax Returns**" has the meaning set forth in Section 3.7.

"**TSXV**" means the TSX Venture Exchange Inc.

Section 1.2 Hereof, Herein, etc.

The words "hereof", "herein" and "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. Unless otherwise specified herein, the term "or" has the inclusive meaning represented by the term "and/or" and the term "including" is not limiting. All references as to "Sections", "Subsections", "Articles", "Schedules" and "Exhibits" shall be to Sections, Subsections, Articles, Schedules and Exhibits, respectively, of this Agreement unless otherwise specifically provided.

Section 1.3 Computation of Time Periods

In the computation of periods of time from a specified date to a later specified date, unless otherwise specified herein, the words "commencing on" mean "commencing on and including", the word "from" means "from and including" and the words "to" and "until" each means "to and including".

Section 1.4 Knowledge

Where used herein the term "Knowledge" in respect of REAL means the actual knowledge, after reasonable inquiry, of Tamir Poleg.

ARTICLE 2 AGREEMENT TO EXCHANGE

Section 2.1 Issuance of Consideration Shares

(1) Purchase of REAL Shares from REAL Shareholders:

(a) Subject to all of the terms and conditions hereof and in reliance on the representations and warranties set forth or referred to herein, at the Closing Time the REAL Shareholders severally agree to exchange, transfer and assign all of their Purchased Shares to ADL in consideration for 1.0083 Consideration Shares for each Purchased Share (the "**Exchange Ratio**").

(b) The exchange, transfer and assignment of REAL Shares for the Consideration Shares shall proceed for all, and not less than all, of the issued and outstanding REAL Shares at the Closing Time.

(c) Fractional shares will not be issued. Where the number of Consideration Shares to be issued results in a fraction, the number of Consideration Shares will be rounded down to the next whole number.

(2) Exchange of REAL Options:

(a) REAL will cause all outstanding stock options of REAL to be exchanged at Closing for stock options of ADL applying the Exchange Ratio subject to the requirement that the total number of stock options of ADL following such exchange will not exceed 10% of ADL's post-closing issued and outstanding common shares. Subject to the approval of the TSXV, ADL will make such modifications to the options or ADL option plan as may be reasonably required by REAL from an Israeli or US tax or securities perspective.

(3) It is hereby understood and acknowledged that, prior to completing the Share Exchange, REAL intends to complete the REAL Private Placement that will result in the issuance of up to 1,504,832 REAL Shares. Prior to any completion of the REAL Private Placement, REAL shall obtain requisite instruments and approvals from the holders of REAL Shares to be issued in the REAL Private Placement to exchange such REAL Shares for Consideration Shares in accordance with the terms of this agreement, with such REAL Shares forming a part of the Purchased Shares.

(4) It is hereby understood and acknowledged that, prior to completing the Share Exchange, ADL intends to complete the ADL Private Placement that will result in the issuance of up to 11,552,346 ADL Shares immediately upon completion of the Share Exchange.

Section 2.2 Purchase of Entire Interest.

It is the understanding of the parties hereto that this Agreement shall provide for the purchase of all of the REAL Shares that are owned or held by the REAL Shareholders at the time of Closing, whether the same are owned as at the date hereof or are acquired after the date hereof, and REAL therefore covenants and agrees with ADL that if, prior to the Closing Date, any person acquires any further shares or securities of REAL or rights to acquire any shares or securities of REAL, in addition to those set forth in this Agreement, then such shares or securities of REAL shall be issued subject to the purchaser of such shares or securities agreeing to be bound by the terms of this Agreement.

Section 2.3 Restrictions on Securities

The parties acknowledge and agree that the resale of the Consideration Shares to be issued to the REAL Shareholders pursuant to Section 2.1 hereof may only be undertaken in compliance with Applicable Securities Laws.

Section 2.4 Closing and Delivery of Certificates

(a) The Closing shall take place at the Toronto offices of Gowling WLG (Canada) LLP, Suite 1600, 1 First Canadian Place, 100 King Street West, Toronto, Ontario, M5X 1G5, at the Closing Time on the Closing Date, or as REAL and ADL may otherwise agree.

(b) Subject to compliance with the terms of this Agreement, ADL shall, or shall cause its transfer agent to, deliver to each REAL Shareholder at the Closing Time certificates registered in the name of such REAL Shareholder (or as such REAL Shareholder may direct prior to the Closing Date) or a direct registration statement evidencing the electronic deposit representing such number of Consideration Shares as would result in such REAL Shareholder holding a pro rata portion of the Consideration Shares equal to their pro rata portion of the REAL Shares held at the Closing Time, and shall enter the REAL Shareholders on the books of ADL as the holders of such ADL Shares.

Section 2.5 Escrow

REAL Shareholders acknowledge that, depending on the size of their holdings and their relationship to REAL and ADL, the Consideration Shares acquired by them pursuant to this Agreement may be escrowed pursuant to the policies of the TSXV and such REAL Shareholders covenant to take all steps to comply with such policies.

Section 2.6 Effective Date

(a) The exchange of REAL Shares for the Consideration Shares shall take effect at the Closing Time.

(b) Any Distributions received in respect of the REAL Shares by the REAL Shareholders from and after the Closing Time shall be held by them in trust for ADL and shall, upon receipt, be paid to ADL forthwith and ADL shall be entitled to all Distributions in respect of the REAL Shares accrued or accruing to the REAL Shareholders from and after the Closing Time.

Section 2.7 Section 85 Election

ADL covenants and agrees to elect jointly with any REAL Shareholder who is resident of Canada for the purposes of the Tax Act and who so requests under subsection 85(1) of the Tax Act in prescribed form and within the prescribed time for the purposes of the Tax Act, and shall therein agree to elect in respect of the Consideration Shares beneficially owned by such REAL Shareholder, an amount as the REAL Shareholder shall direct, but within the limitations imposed under subsection 85(1) of the Tax Act, which shall be deemed to be the REAL Shareholder's proceeds of disposition thereof and ADL's cost thereof. Any such election shall be prepared at the sole expense of REAL, and the Shareholder shall provide a completed copy of the election form (Form T2057) to ADL. Subject to the election form being correct and complete and complying with the provisions of the Tax Act, the election form will be signed by ADL and returned to the REAL Shareholder within 30 days after the receipt thereof by ADL for filing with the Canada Revenue Agency. ADL will not be responsible for the proper or accurate completion of any election or to check or verify the content of any election form and, except for ADL's obligation to return duly completed election forms within 30 days after the receipt thereof by ADL, ADL will not be responsible for any taxes, interest or penalties or any other costs or damages resulting from the failure by a REAL Shareholder to properly and accurately complete or file the necessary election form in the form and manner and within the time prescribed by the Tax Act.

ARTICLE 3 REPRESENTATIONS AND WARRANTIES OF REAL

In order to induce ADL to enter into this Agreement and to consummate the transactions contemplated by this Agreement, REAL hereby represents and warrants as at the date hereof and as at the Closing Time as follows to and in favour of ADL and acknowledges that ADL is relying upon such representations and warranties in connection with the Share Exchange. Each exception to the following representations and warranties that is set out in the REAL disclosure schedules attached (the "**REAL Disclosure Schedule**") is identified by reference to one or more specific individual Sections of this Agreement and is only effective to create an exception to each specific individual Section listed. Any statement in this Agreement that is not expressly qualified by a reference to an exception in the REAL Disclosure Schedule will prevail, despite anything to the contrary that is disclosed in the REAL Disclosure Schedule:

Section 3.1 Organization and Existence

REAL and each Real Subsidiary is a corporation duly incorporated, organized and validly existing under the laws of the jurisdiction in which it was incorporated and has the corporate power to own its properties and to carry on its business as now conducted and has made all necessary filings under all applicable corporate, securities and taxation laws or any other laws to which it is subject, except where the failure to make such filing would not have a Material Adverse Effect on REAL or any REAL Subsidiary. Other than the Real Subsidiaries, REAL does not have any Subsidiaries. Neither REAL nor the Real Subsidiaries is: (i) in violation of its articles of incorporation or by- laws; or (ii) in default of the performance or observance of any obligation, agreement, covenant or condition contained in any contract, indenture, trust deed, joint venture, mortgage, loan agreement, note, lease or instrument to which it or its property may be bound for any such violations or defaults that would result in a Material Adverse Effect on REAL or the REAL Subsidiaries. No proceedings have been instituted or are pending for the dissolution or liquidation of REAL or the REAL Subsidiaries.

Section 3.2 Authorization

The execution, delivery and performance by REAL of this Agreement and the Share Exchange: (i) are within REAL's corporate power and authority; (ii) have been, or will at the Closing Time be, duly authorized by all necessary corporate proceedings; and (iii) do not and will not conflict with or result in any breach of any provision of, or the creation of any Lien upon any of the property of REAL pursuant to, the Articles of REAL, any Laws, order, judgment, injunction, license or permit applicable to REAL or a REAL Subsidiary or any indenture, lease, agreement, contract, instrument or Lien, to which REAL or a REAL Subsidiary is a party or by which the property of REAL or a REAL Subsidiary may be bound or affected.

Section 3.3 Authorized Capital

(a) The authorized capital of REAL consists of 75,000 New Israeli Shekels divided into 123,000,000 Ordinary Shares, nominal value NIS 0.0004 per share (the "**REAL Ordinary Shares**") and 66,000,000 Series A Preferred Shares par value NIS 0.0004 each of the Company (the "**REAL Preferred Shares**"), of which 41,797,000 REAL Ordinary Shares are issued and outstanding as of the date hereof, and are held by the REAL Shareholders, and 64,921,029 REAL Preferred Shares are issued and outstanding as of the date hereof, and are held by the REAL Shareholders.

(b) The REAL Shares issued and outstanding as at the Closing Time have been, or will at the Closing Time be, duly authorized and validly issued and outstanding as fully paid and non-assessable shares. None of the REAL Shares have been issued in violation of any Laws, REAL's Articles or any agreement to which REAL is a party or by which it is bound.

(c) Real owns 100% of the issued and outstanding REAL LLC Shares as of the date hereof, being all of the issued and outstanding securities of REAL LLC.

(d) The REAL LLC Shares issued and outstanding as at the Closing Time have been, or will at the Closing Time be, duly authorized and validly issued and outstanding as fully paid and non-assessable shares. None of the REAL LLC Shares have been issued in violation of any Laws, REAL LLC's Articles or any agreement to which REAL LLC is a party or by which it is bound.

(e) REAL LLC owns 100% of the issued and outstanding securities of each other REAL Subsidiary other than REAL Broker Commercial LLC which is only 75% owned by REAL LLC.

Section 3.4 No Other Agreement to Purchase

Other than (i) 7,161,522 REAL Stock Options granted to date; (ii) as set out in Section 3.4 of the REAL Disclosure Schedule; and (iii) the securities to be issued in the REAL Private Placement, there are no agreements, options, warrants, rights of conversion or other rights binding upon or which at any time in the future may become binding upon REAL or any REAL Subsidiary to issue any equity securities or any securities convertible or exchangeable, directly or indirectly, into any equity securities of REAL or any REAL Subsidiary. To the Knowledge of REAL, there are no shareholders' agreements, pooling agreements, voting trusts or other agreements or understandings with respect to the voting of any REAL Shares, or the securities of any REAL Subsidiary.

Section 3.5 Absence of Certain Changes

Except as set out in Section 3.5 of the REAL Disclosure Schedule, since September 30, 2019, neither REAL nor any REAL Subsidiary has:

(a) split, combined or reclassified any of its securities or declared or made any Distribution;

(b) suffered any material loss relating to litigation or, to the Knowledge of REAL, been threatened with litigation;

(c) mortgaged, hypothecated or pledged any of the REAL Assets, or subjected them to any Lien other than a Permitted Lien;

(d) sold, leased, subleased, assigned or transferred any of the REAL Assets;

(e) failed to pay or satisfy when due any liability where the failure to do so would have a Material Adverse Effect on REAL;

(f) entered into or amended any employment contracts with any director, officer or senior management employee, created or amended any employee benefit plan, made any increases in the base compensation, bonuses, paid vacation time allowed or fringe benefits for its directors or officers;

(g) suffered, in any material respect, any damage, destruction or other casualty, loss, or forfeiture of, any property or assets, whether or not covered by insurance;

(h) other than in the Ordinary Course of Business: (i) entered into any contract, commitment or agreement under which it has outstanding Indebtedness for borrowed money or for the deferred purchase price of property; or (ii) made any loan or advance to any Person;

(i) acquired or agreed to acquire (by tender offer, exchange offer, merger, amalgamation, acquisition of shares or assets or otherwise) any Person, corporation, partnership, joint venture or other business organization or division or acquired or agreed to acquire any material assets;

(j) entered into any Material Contracts regarding its business operations, including joint ventures, partnerships or other arrangements;

(k) created any stock option or bonus plan, paid any bonuses, deferred or otherwise, or deferred any compensation to any of its directors or officers other than such payments made in the Ordinary Course of Business;

(l) made any material change in accounting procedures or practices;

(m) entered into any other material transaction, or any amendment of any contract, lease, agreement or license which is material to its business;

(n) cancelled, waived or compromised, in any material respect, any debts or claims, including accounts payable to and receivable from its Affiliates; or

(o) entered into any agreement or understanding to do any of the foregoing.

Section 3.6 Indebtedness to Directors, Officers and Others

Neither REAL nor any REAL Subsidiary is indebted to any director, officer, employee or consultant of REAL or any REAL Subsidiary (as the case may be), except for amounts due as normal compensation or reimbursement of ordinary business expenses.

Section 3.7 Taxes

All returns, declarations, reports, estimates, statements, schedules or other information or documents with respect to Taxes (collectively, "**Tax Returns**") required to be filed by or with respect to REAL any REAL Subsidiary have been filed within the prescribed time, with the appropriate tax authorities and all such Tax Returns are true, correct, and complete in all material respects. To the Knowledge of REAL, no Tax Return of REAL or any REAL Subsidiary is being audited by the relevant taxing authority, and there are no outstanding waivers, objections, extensions, or comparable consents regarding the application of the statute of limitations or period of reassessment with respect to any Taxes or Tax Returns that have been given or made by REAL or any REAL Subsidiary (including the time for filing of Tax Returns or paying Taxes) and neither REAL nor any REAL Subsidiary have any pending requests for any such waivers, extensions, or comparable consents. Neither REAL nor any REAL Subsidiary has received a ruling from any taxing authority or signed an agreement with any taxing authority that in either case could reasonably be expected to have a Material Adverse Effect on REAL or any REAL Subsidiary. To the Knowledge of REAL, neither REAL nor any REAL Subsidiary owes any payment for Taxes to a federal government, a provincial government, a state government, a municipal government or any other governmental authority other than where (i) such payment is being contested in good faith, (ii) adequate reserves are being maintained for those Taxes or (iii) such payment can be lawfully withheld.

Section 3.8 Title to Assets

The REAL Assets are owned legally and beneficially by REAL or the REAL Subsidiaries (as the case may be) with good and marketable title thereto, free and clear of all Liens whether contingent or absolute.

Section 3.9 Intangible Property

(1) REAL and each REAL Subsidiary (as the case may be) owns or has legal right to use the REAL Intangible Property currently used in the conduct of the business of REAL or each REAL Subsidiary (as the case may be), and, to the Knowledge of REAL, the ownership or use thereof and any other intellectual property rights owned or used by REAL or any REAL Subsidiary does not infringe upon the proprietary rights of any other Persons.

(2) REAL and each REAL Subsidiary (as the case may be) is the beneficial owner of the Intangible Property which it purports to own free and clear of all Encumbrances, and is not a party to or bound by any contract or any other obligation whatsoever that limits or impairs its ability to sell, transfer, assign or convey, or that otherwise affects, the Intangible Property. Neither REAL nor any REAL Subsidiary has granted any interest in or right to use all or any portion of the Intangible Property. To the Knowledge of REAL, the conduct of REAL's or each REAL Subsidiary’s business (as the case may be) does not infringe upon the industrial or intellectual property rights, domestic or foreign, of any other person. REAL is not aware of a claim of any infringement or breach of any industrial or intellectual property rights of any other person, nor has REAL received any notice that the conduct of REAL's or each REAL Subsidiary’s business, including the use of the REAL Intangible Property, infringes upon or breaches any industrial or intellectual property rights of any other person, and REAL does not have any knowledge of any infringement or violation of any of its rights in the REAL Intangible Property.

Section 3.10 Material Contracts

All Material Contracts of REAL and each REAL Subsidiary are set out in Section 3.10 of the REAL Disclosure Schedule, and are valid, binding and in full force and effect as to REAL and each REAL Subsidiary (as the case may be), and the other parties thereto (to REAL's knowledge) and neither REAL nor any REAL Subsidiary (as the case may be) is in breach or violation of, or default under, the terms of any such contract, agreement, plan, lease or commitment, except where such breach, violation or default would not have a Material Adverse Effect on REAL or any REAL Subsidiary (as the case may be), and no event has occurred which constitutes or, with the lapse of time or the giving of notice, or both, would constitute, such a breach, violation or default by REAL or any REAL Subsidiary (as the case may be) or, to the Knowledge of REAL, by the other parties thereto.

Section 3.11 Compliance with Law

Neither REAL nor any REAL Subsidiary is in default under, or in violation of, and has not violated (and failed to cure) any law including, without limitation, laws relating to the issuance or sale of securities, privacy and intellectual property, or any licenses, franchises, permits, authorizations or concessions granted by, or any judgment, decree, writ, injunction or order of, any governmental or regulatory authority, applicable to its business or any of its properties or assets, except where such default or violation would not have a Material Adverse Effect on REAL or any REAL Subsidiary (as the case may be).

Section 3.12 Regulatory Approval

Except as set out in Section 3.12 of the REAL Disclosure Schedule, no consents, registrations, approvals, permits, waivers or authorizations are required to be obtained by REAL or any REAL Subsidiary (as the case may be) from, any governmental or regulatory authority in connection with the execution and delivery of this Agreement by REAL and the consummation of the transactions contemplated herein by REAL, where the failure to make or obtain any or all of which would reasonably be likely to have a Material Adverse Effect on the consolidated financial condition of REAL or any REAL Subsidiary, or could prevent, materially delay or materially burden the transactions contemplated herein.

Section 3.13 Licences and Permits

REAL and each REAL Subsidiary is duly licensed, registered and qualified, in all material respects, and possesses all material certificates, authorizations, permits or licences issued by the appropriate regulatory authorities in the jurisdictions necessary to enable its business to be carried on as now conducted and to enable its property and assets to be owned, leased and operated as they are now, and all such licences, registrations and qualifications are in good standing, in all material respects and none of such licenses, registrations or qualifications contains any burdensome term, provision, condition or limitation which has or is likely to have any Material Adverse Effect on the business of REAL or any REAL Subsidiary, as now conducted. Except as set out in Section 3.13 of the REAL Disclosure Schedule, the loss of any such licenses, registrations or qualifications would not have any Material Adverse Effect on the business of REAL or any REAL Subsidiary, as now conducted.

Section 3.14 Employees

Except for agreements with persons set out in Section 3.14 of the REAL Disclosure Schedule, there are no agreements, written or oral, between REAL or any REAL Subsidiary and any other party relating to payment, remuneration or compensation for work performed or services provided or payment related to a Change of Control or other event in respect of REAL or any REAL Subsidiary (as the case may be). REAL and each REAL Subsidiary is in compliance in all material respects with all Laws respecting employment and employment practices, terms and conditions of employment, pay equity and wages and has not and is not engaged in any unfair labour practice. Neither REAL nor any REAL Subsidiary has been a party to or bound by any collective agreement and is not currently conducting negotiations with any labour union or employee association.

Section 3.15 Litigation

Except as set out in Section 3.15 of the REAL Disclosure Schedule, there is no material suit, claim (including warranty claims), action, proceeding, investigation in existence or, to the knowledge of REAL, pending or threatened against or affecting REAL or any REAL Subsidiary, or any of its assets or properties, or any officer or director thereof in his capacity as an officer or director thereof.

Section 3.16 Employee Benefit Plans

Except for the REAL 2016 Incentive Option Plan and as disclosed in Section 3.16 of the REAL Disclosure Schedule, REAL does not have any employee benefit plans (or any plan which may be in any way regarded as an employee benefit plan) of any nature whatsoever nor has it ever had any such plans.

Section 3.17 Insurance

REAL and each Real Subsidiary have in full force and effect insurance policies with extended coverage listed in the REAL Disclosure Schedule, which are reasonably sufficient in amount (subject to reasonable deductions) to allow it to replace any of its properties that might be damaged or destroyed and to insure the risks associated with its business and affairs. Neither REAL nor any REAL Subsidiary (as the case may be) is in default in any material respect with respect to the payment of any premium or compliance with any of the provisions contained in any such insurance policy and has not failed to give any notice or present any claim within the appropriate time therefor. To the Knowledge of REAL, there are no circumstances under which REAL or any REAL Subsidiary would be required to or, in order to maintain their coverage, should give any notice to the insurers under any such insurance policy which has not been given. Neither REAL nor any REAL Subsidiary has received notice from any of the insurers regarding cancellation of such insurance policy.

Section 3.18 Corporate Documents, Books and Records

REAL and each REAL Subsidiary has provided to ADL complete and correct copies of their respective Articles of Association and of all amendments thereto complete and accurate records in all material respects of the minute books, meetings and consents in lieu of meetings of the board of directors (and its committees) and shareholders of each of them since incorporation, and there are no material minutes of meetings or consents in lieu of meetings of the board of directors (or its committees) or of the shareholders of REAL or each REAL Subsidiary which have not been provided to ADL.

Section 3.19 No Limitations

There is no non-competition, exclusivity or other similar agreement, commitment or understanding in place, whether written or oral, to which REAL or any REAL Subsidiary is a party or is otherwise bound that will now or hereafter limit the business, use of assets or operations of REAL or any REAL Subsidiary (as the case may be), as currently conducted.

Section 3.20 Environmental Laws

(a) All facilities and operations of REAL and each REAL Subsidiary are, in all material respects, presently in compliance with all applicable Environmental Laws.

(b) Neither REAL nor any REAL Subsidiary has been charged with or convicted of any offence for non-compliance with Environmental Laws and there are no judgments, orders, notices, proceedings or investigations of any nature relating to any breach or alleged breach of Environmental Laws by REAL or any REAL Subsidiary.

(c) Neither REAL nor any REAL Subsidiary has used any of the REAL Assets to produce, generate, manufacture, treat, store, handle, transport or dispose of any hazardous substances except in compliance with Environmental Laws.

Section 3.21 Enforceability

The execution and delivery by REAL of this Agreement and any other agreement contemplated by this Agreement will result in legally binding obligations of REAL enforceable against REAL in accordance with the terms and provisions hereof and thereof subject, however, to limitations with respect to enforcement imposed by law in connection with bankruptcy or similar proceedings and to the extent that equitable remedies such as specific performance and injunction are in the discretion of the court from which they are sought.

Section 3.22 Conduct of Business in the Ordinary Course

Since September 30, 2019 and except as disclosed in Section 3.22 of the REAL Disclosure Schedule, the business of REAL and each REAL Subsidiary has been conducted in the Ordinary Course of Business.

Section 3.23 Sufficiency of REAL Assets

The REAL Assets include all rights and property (other than working capital) necessary and sufficient to enable it to carry on its business after the Closing substantially in the same manner as it was conducted prior to the Closing. The REAL Assets are in good operating condition, subject to normal wear and tear, and reasonably fit and usable for the purposes for which they are being used. Except in the Ordinary Course of Business, all of the REAL Assets are in the possession of REAL or any REAL Subsidiary (as the case may be).

Section 3.24 Privacy Matters

REAL and each REAL Subsidiary has conducted and is conducting its business in compliance in all material respects with all applicable Laws concerning privacy and the protection of personal information.

Section 3.25 Brokers

Except as set out in Section 3.25 of the REAL Disclosure Schedule, REAL has not has engaged any broker or other agent in connection with the Share Exchange and no commission, fee or other remuneration shall be payable by REAL to any broker or agent who purports or may purport to act or have acted for REAL in connection with the Share Exchange.

Section 3.26 Full Disclosure

This Agreement: (i) does not contain any untrue statement of a Material Fact in respect of REAL or any REAL Subsidiary or the affairs, operations or condition of REAL or any REAL Subsidiary; and (ii) does not omit any statement of a Material Fact necessary in order to make the statements in respect of REAL or any REAL Subsidiary or the affairs, operations or condition of REAL or any REAL Subsidiary contained herein not materially misleading.

Section 3.27 Reports and REAL Financial Statements

(a) The REAL Financial Statements were prepared in accordance with IFRS on a consistent basis for each period included in the REAL Financial Statements; each of the balance sheets included in such REAL Financial Statements fairly presents the financial condition of REAL as at the close of business on the date thereof, and each of the statement of operations and deficit included in the REAL Financial Statements fairly presents the results of operations of REAL for the fiscal period then ended.

(b) There were no liabilities, contingent, contractual or otherwise, of REAL as of September 30, 2019, other than those disclosed in the applicable REAL Financial Statements and the notes thereto.

Section 3.28 Non-Arm's Length Transactions

Other than as disclosed in the REAL Financial Statements or in the REAL Disclosure Schedule or as set out below:

(a) REAL has not made any payment or loan to, or has borrowed any monies from or is otherwise indebted to, any officer, director, employee, shareholder or any other Person with whom REAL is not dealing at arm's length (within the meaning of the Income Tax Act) or any Affiliate of any of the foregoing; and

(b) REAL is not a party to any contract or agreement with any officer, director, employee, shareholder or any other Person with whom REAL is not dealing at arm's length (within the meaning of the Income Tax Act) or any Affiliate of any of the foregoing.

Section 3.29 Third Party Approvals

Other than in respect of a pre-ruling from Israeli tax authorities in respect of the Share Exchange, no consents, registrations, approvals, permits, waivers or authorizations are required to be obtained by REAL from, any third party in connection with the execution and delivery of this Agreement by REAL and the consummation of the transactions contemplated herein by REAL, the failure to make or obtain any or all of which is reasonably likely to have a Material Adverse Effect on the consolidated financial condition of REAL, or could prevent, materially delay or materially burden the transactions contemplated herein.

Section 3.30 Survival of Representations and Warranties

The representations and warranties of REAL contained in this Agreement shall survive the execution and delivery of this Agreement and shall terminate on the earlier of the termination date of this Agreement in accordance with its terms and the Closing Date.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES OF THE REAL SHAREHOLDERS

Each REAL Shareholder severally represents and warrants to ADL as follows (as to itself and not any other REAL Shareholder):

Section 4.1 Capacity

The REAL Shareholder has the power and authority to own or hold the Purchased Shares. The REAL Shareholder has the power and authority to enter into this Agreement and to perform its obligations hereunder.

Section 4.2 Execution and Delivery

This Agreement and any other agreement contemplated by this Agreement has been duly executed and delivered by the REAL Shareholder and will result in legally binding obligations of the REAL Shareholder enforceable against it in accordance with the respective terms and provisions hereof and thereof subject, however, to limitations with respect to enforcement imposed by law in connection with bankruptcy or similar proceedings and to the extent that equitable remedies such as specific performance and injunction are in the discretion of the court from which they are sought.

Section 4.3 Corporate Action

The execution and delivery of this Agreement and such other agreements and instruments and the consummation of the transaction have been duly authorized by all necessary corporate action on the part of such REAL Shareholder, as may be required.

Section 4.4 No Violation

The execution and delivery of this Agreement, the transfer of the Purchased Shares held by it, as applicable, and the performance, observance or compliance with the terms of this Agreement by the REAL Shareholder will not violate, constitute a default under, conflict with, or give rise to any requirement for a waiver or consent under:

(a) any provision of law or any order of any court or other governmental agency applicable to the REAL Shareholder;

(b) the Articles of the REAL Shareholder, if applicable;

(c) any provision of any agreement, instrument or other obligation to which the REAL Shareholder is a party or by which the REAL Shareholder is bound; or

(d) any applicable judgment, writ, decree, order or Laws applicable to the REAL Shareholder.

Section 4.5 Litigation

There is no pending suit, action, legal proceeding, litigation or governmental investigation of any sort or, to the knowledge of the REAL Shareholder after due inquiry, threatened or contemplated, which would:

(a) in any manner restrain or prevent the REAL Shareholder from effectually or legally exchanging the Purchased Shares held by it in accordance with this Agreement;

(b) cause any Lien to be attached to the Purchased Shares held by it;

(c) divest title to the Purchased Shares held by it; or

(d) make ADL or REAL liable for damages in connection with the transaction contemplated herein.

Section 4.6 Ownership

The REAL Shareholder is the registered owner of those Purchased Shares set forth opposite its name on Schedule “A” hereto, free and clear of any Liens. The REAL Shareholder has good and marketable title to the Purchased Shares, free of all mortgages, charges, liens, pledges, claims, security interests and agreements and other encumbrances of whatsoever nature and no person or entity has any agreement or option or right capable of becoming an agreement or option for the purchase from the REAL Shareholder of any of the Purchased Shares held by it, and the REAL Shareholder has good right, full power and absolute authority to sell, transfer and assign all of the Purchased Shares held by it to ADL for the purpose and in the manner as provided for in this Agreement and the Purchased Shares held by it constitute all of the REAL Shares owned or controlled, directly or indirectly, by the REAL Shareholder. The Purchased Shares held by the REAL Shareholder are not subject to any shareholder, pooling, escrow or similar agreements.

Section 4.7 Finders Fees

The REAL Shareholder has not entered into any agreement that would entitle any person to any valid claim against ADL for a broker's commission, finder's fee, or any like payment in respect of the exchange of the REAL Shares or any other matters contemplated by this Agreement and, in the event that any Person acting or purporting to act for such REAL Shareholder establishes a claim for any fee from ADL, such REAL Shareholder severally covenants to indemnify and hold harmless ADL with respect thereto and with respect to all costs reasonably incurred in the defence thereof.

Section 4.8 Survival of Representations and Warranties

The representations and warranties of each REAL Shareholder contained in this Agreement shall survive the execution and delivery of this Agreement and shall terminate on the earlier of the termination date of this Agreement in accordance with its terms and the Closing Date.

ARTICLE 5 REPRESENTATIONS AND WARRANTIES OF ADL

ADL hereby represents and warrants as follows to and in favour of REAL and all the REAL Shareholders as at the Closing Time and ADL acknowledges that REAL and such REAL Shareholders are relying upon such representations and warranties in connection with the Share Exchange. Each exception to the following representations and warranties that is set out in the ADL disclosure schedules attached (the "**ADL Disclosure Schedule**") is identified by reference to one or more specific individual Sections of this Agreement and is only effective to create an exception to each specific individual Section listed. Any statement in this Agreement that is not expressly qualified by a reference to an exception in the ADL Disclosure Schedule will prevail, despite anything to the contrary that is disclosed in the ADL Disclosure Schedule:

Section 5.1 Organization and Existence

ADL is a corporation duly incorporated, organized and validly existing under the laws of the province of British Columbia and has the corporate power to own its properties and to carry on its business as now conducted and has made all necessary filings under all applicable corporate, securities and taxation laws or any other laws to which ADL is subject, except where the failure to make such filing would not have a Material Adverse Effect on ADL. ADL is in good standing under the BCBCA. ADL is not in violation of its Notice of Articles or Articles. No proceedings have been instituted or are pending for the dissolution or liquidation of ADL.

Section 5.2 Authorization

(a) The execution, delivery and performance by ADL of this Agreement and the Share Exchange: (i) are within its corporate power and authority; (ii) have been, or will be duly authorized by all necessary corporate proceedings; and (iii) do not and will not conflict with or result in any breach of any provision of, or the creation of any Lien upon any of the property of ADL pursuant to the Articles or by-laws of ADL,

any applicable Laws, order, judgment, injunction, license or permit applicable to ADL or any indenture, lease, agreement, contract, instrument or Lien, to which ADL is a party or by which the property of ADL may be bound or affected.

(b) The Consideration Shares, when delivered to the REAL Shareholders in accordance with the terms of this Agreement, will be validly issued and outstanding as fully paid and non-assessable ADL Shares.

Section 5.3 Consents

The execution, delivery and performance by ADL of this Agreement does not and will not require the authorization, approval or consent of, or any filing with, any governmental authority or agency or any other Person, except those required by Applicable Securities Laws.

Section 5.4 Authorized and Issued Capital

(a) The authorized capital of ADL consists of an unlimited number of ADL Shares of which 9,100,000 common shares are issued and outstanding as at the date hereof.

(b) Other than 1,200,000 stock options and agent options, there are no agreements, options, warrants, rights of conversion or other rights binding upon or which at any time in the future may become binding upon ADL to issue any shares or any securities convertible or exchangeable, directly or indirectly, into any ADL Shares. There are no shareholders' agreements, pooling agreements, voting trusts or other agreements or understandings with respect to the voting of ADL Shares, or any of them.

(c) The ADL Shares issued and outstanding as at the Closing Time have been, or will at the Closing Time be, duly authorized and validly issued and outstanding as fully paid and non-assessable shares. None of the ADL Shares have been issued in violation of any applicable Laws, the policies of the TSXV, ADL's Notice of Articles or Articles or any agreement to which ADL is a party or by which it is bound.

Section 5.5 Capital Pool Company

ADL is a "capital pool company" (as defined in the TSXV Corporate Finance Manual) and, (i) other than cash or cash equivalents, has no assets or operations; and (ii) is in compliance with Policy 2.4.

Section 5.6 Subsidiaries

ADL has no Subsidiaries or Affiliates.

Section 5.7 No Material Adverse Change

Since September 30, 2019, there has occurred no change in the business, operations, results of operations, assets, capitalization or condition (financial or otherwise) of ADL, whether or not in the Ordinary Course of Business, whether separately or in the aggregate with other occurrences or developments, and whether insured against or not, which would reasonably be expected to have a Material Adverse Effect on ADL.

Section 5.8 Reporting Issuer

ADL is a reporting issuer under the securities legislation of the provinces of British Columbia, Alberta and Ontario and is not in default of such legislation or any regulation thereunder. No order has been issued ceasing or suspending trading or prohibiting the issue of the ADL Shares and no proceedings for such are pending or, to the knowledge of ADL, threatened.

Section 5.9 TSXV Listing

The ADL Shares are listed and posted for trading on the TSXV.

Section 5.10 Reports and ADL Financial Statements

(a) The ADL Financial Statements were prepared in accordance with IFRS on a consistent basis for each period included in the ADL Financial Statements; each of the balance sheets included in such ADL Financial Statements fairly presents the financial condition of ADL as at the close of business on the date thereof, and each of the statement of operations and deficit included in the ADL Financial Statements fairly presents the results of operations of ADL for the fiscal period then ended.

(b) The audited ADL Financial Statements were audited in accordance with Canadian GAAS.

(c) There were no liabilities, contingent, contractual or otherwise, of ADL as of September 30, 2019, other than those disclosed in the ADL Financial Statements and the notes thereto.

(d) There is no pending disagreement between ADL and its auditors which could affect the financial condition of ADL.

Section 5.11 Absence of Certain Changes

Other than as contemplated herein, since September 30, 2019, ADL has not (except as disclosed in this Agreement):

(a) issued, sold, or agreed to issue, sell, pledge, hypothecate, lease, dispose of or encumber any ADL Shares or other corporate securities or any right, option or warrant with respect thereto;

(b) amended or proposed to amend its Notice of Articles or Articles;

(c) split, combined or reclassified any of its securities or declared or made any Distribution;

(d) suffered any loss relating to litigation or, to the knowledge of ADL, been threatened with litigation;

(e) entered into or amended any employment contracts with any director, officer or senior management employee, created or amended any employee benefit plan, made any increases in the base compensation, bonuses, paid vacation time allowed or fringe benefits for its directors or officers;

(f) suffered damage, destruction or other casualty, loss, or forfeiture of, any property or assets, whether or not covered by insurance;

(g) other than in the Ordinary Course of Business: (i) entered into any contract, commitment or agreement under which it has outstanding Indebtedness for borrowed money or for the deferred purchase price of property; or (ii) made any loan or advance to any Person;

(h) acquired or agreed to acquire (by tender offer, exchange offer, merger, amalgamation, acquisition of shares or assets or otherwise) any Person, corporation, partnership, joint venture or other business organization or division or acquired or agreed to acquire any material assets;

(i) entered into any material contracts regarding its business operations, including joint ventures, partnerships or other arrangements;

(j) created any stock option or bonus plan, paid any bonuses, deferred or otherwise, or deferred any compensation to any of its directors or officers other than such payments made in the Ordinary Course of Business;

(k) made any material change in accounting procedures or practices;

(l) entered into any other material transaction, or any amendment of any contract, lease, agreement or license which is material to its business;

(m) cancelled, waived or compromised any debts or claims, including accounts payable to and receivable from its Affiliates;

(n) failed to pay or satisfy when due any liability of ADL where such failure would have a Material Adverse Effect on ADL; or

(o) entered into any agreement or understanding to do any of the foregoing.

Section 5.12 Corporate Documents, Books and Records

Complete and correct copies of the Notice of Articles and Articles, and of all amendments thereto, of ADL have been previously delivered to REAL. The minute books of ADL provided to REAL contain complete and accurate records in all respects of all meetings and consents in lieu of meetings of the board of directors (and its committees) and shareholders of ADL since incorporation. There are no minutes of meetings or consents in lieu of meetings of the board of directors (or its committees) or of the shareholders of ADL which have not been provided to REAL.

Section 5.13 Indebtedness and Liens

Other than in the Ordinary Course of Business or in connection with the transactions contemplated hereby, since September 30, 2019, ADL has not incurred any: (i) Indebtedness; or (ii) Liens upon any of the ADL Assets.

Section 5.14 Indebtedness to Officers, Directors and Others

Other than amounts owing to reimburse individuals for business expenses pursuant to subsection 8.2(b) of Policy 2.4, ADL is not indebted to:

(i) any director, officer or shareholder of ADL; or

(ii) any corporation controlled, directly or indirectly, by any one or more of those Persons referred to in subsection 5.14(i) hereof.

Section 5.15 Taxes

All Tax Returns required to be filed by or with respect to ADL have been filed within the prescribed time, with the appropriate tax authorities and all such Tax Returns are true, correct, and complete in all material respects. No Tax Return of ADL is being audited by the relevant taxing authority, and there are no outstanding waivers, objections, extensions, or comparable consents regarding the application of the statute of limitations or period of reassessment with respect to any Taxes or Tax Returns that have been given or made by ADL (including the time for filing of Tax Returns or paying Taxes) and ADL has no pending requests for any such waivers, extensions, or comparable consents. ADL has not received a ruling from any taxing authority or signed an agreement with any taxing authority that could reasonably be expected to have a Material Adverse Effect on ADL. ADL does not owe any Taxes to the federal government, a provincial government, a municipal government or any other governmental authority.

Section 5.16 Material Contracts

All material contracts of ADL are set out in the ADL Disclosure Schedule and are valid, binding and in full force and effect as to ADL, and the other parties thereto (to ADL's knowledge) and ADL, are not in breach or violation of, or default under, the terms of any such contract, agreement, plan, lease or commitment, except where such breach, violation or default would not have a Material Adverse Effect on ADL, and no event has occurred which constitutes or, with the lapse of time or the giving of notice, or both, would constitute, such a breach, violation or default by ADL or, to ADL's knowledge, by the other parties thereto.

Section 5.17 Necessary Licenses and Permits

ADL has all necessary and required licenses, permits, consents, concessions and other authorizations of governmental, regulatory or administrative agencies or authorities, whether foreign, federal, provincial, or local, required to own and lease its properties and assets and to conduct its business as now conducted, except where the failure to hold the foregoing would not have a Material Adverse Effect on ADL. ADL is not in default, nor has it received any notice of any claim or default with respect to any such license, permit, consent, concession or authorization. No registrations, filings, applications, notices, transfers, consents, approvals, audits, qualifications, waivers or other action of any kind is required by virtue of the execution and delivery of this Agreement, or of the consummation of the transactions contemplated hereby: (a) to avoid the loss of any license, permit, consent, concession or other authorization or any asset, property or right pursuant to the terms thereof, or the violation or breach of any law applicable thereto, or (b) to enable ADL to hold and enjoy the same immediately after the Closing Date in the conduct of its business as conducted prior to the Closing Date.

Section 5.18 Compliance with Law

ADL is not in default under, or in violation of, and has not violated (and failed to cure) any law including, without limitation, laws relating to the issuance or sale of securities, privacy and intellectual property, or any licenses, franchises, permits, authorizations or concessions granted by, or any judgment, decree, writ, injunction or order of, any governmental or regulatory authority, applicable to its business or any of its properties or assets, except where such default or violation would not have a Material Adverse Effect on ADL. ADL has not received any notification alleging any violations of any of the foregoing.

Section 5.19 Brokers

ADL has not engaged any broker or other agent in connection with the Share Exchange and no commission, fee or other remuneration shall be payable by REAL to any broker or agent who purports or may purport to act or have acted for REAL in connection with the Share Exchange.

Section 5.20 Employees

There are no agreements, written or oral, between ADL and any other party relating to payment, remuneration or compensation for work performed or services provided or payment relating to a Change of Control or other event in respect of ADL.

Section 5.21 Litigation

There is no suit, claim, action, proceeding or investigation in existence or, to the knowledge of ADL, pending or threatened against or affecting ADL, or any of its assets or properties, or any officer or director thereof in his capacity as an officer or director thereof.

Section 5.22 Employee Benefit Plans

Except for an incentive option plan, ADL does not have any employee benefit plans (or any plan which may be in any way regarded as an employee benefit plan) of any nature whatsoever nor has it ever had any such plans.

Section 5.23 No Limitations

There is no non-competition, exclusivity or other similar agreement, commitment or understanding in place, whether written or oral, to which ADL is a party or is otherwise bound that would now or hereafter, in any way limit the business, use of assets or operations of ADL.

Section 5.24 Regulatory Compliance

ADL is in compliance with all regulatory orders, directives and decisions that have application to ADL except where such non-compliance would not have a Material Adverse Effect on ADL and ADL has not received notice from any governmental or regulatory authority that ADL is not in compliance with any such regulatory orders, directives or decisions.

Section 5.25 Public Filings

All information filed with the securities commissions, including without limitation, the documents and any other information filed with any securities commissions in compliance, or intended compliance, with any Applicable Securities Laws complied in all material respects with Applicable Securities Laws at the time they were filed, and ADL has not filed any confidential filings with any securities authorities which continue to be confidential.

Section 5.26 No Material Fact or Material Change

There is no "material fact" or "material change" (as those terms are defined in Applicable Securities Laws) in the affairs of ADL that has not been generally disclosed to the public.

Section 5.27 Non-Arm's Length Transactions

Other than as disclosed in the ADL Financial Statements or the ADL Disclosure Schedule:

(a) ADL has not made any payment or loan to, or has borrowed any monies from or is otherwise indebted to, any officer, director, employee, shareholder or any other Person with whom ADL is not dealing at arm's length (within the meaning of the Income Tax Act) or any Affiliate of any of the foregoing; and

(b) ADL is not a party to any contract or agreement with any officer, director, employee, shareholder or any other Person with whom ADL is not dealing at arm's length (within the meaning of the Income Tax Act) or any Affiliate of any of the foregoing.

Section 5.28 Enforceability

The execution and delivery by ADL of this Agreement and any other agreement contemplated by this Agreement will result in legally binding obligations of ADL enforceable against ADL in accordance with the respective terms and provisions hereof and thereof subject, however, to limitations with respect to enforcement imposed by law in connection with bankruptcy or similar proceedings and to the extent that equitable remedies such as specific performance and injunction are in the discretion of the court from which they are sought.

Section 5.29 Survival of Representations and Warranties

The representations and warranties of ADL contained in this Agreement shall survive the execution and delivery of this Agreement and shall terminate on the earlier of the termination date of this Agreement in accordance with its terms and the Closing Date.

Section 5.30 Full Disclosure

This Agreement: (i) does not contain any untrue statement of a Material Fact in respect of ADL or the affairs, operations or condition of ADL; and (ii) does not omit any statement of a Material Fact necessary in order to make the statements in respect of ADL or the affairs, operations or condition of ADL contained herein not materially misleading.

ARTICLE 6 COVENANTS

Section 6.1 Filings

ADL and REAL shall prepare and file, or cause to be filed, any filings required under any applicable laws or rules and policies of the TSXV or other regulatory bodies relating to the Share Exchange. ADL covenants and agrees to take, in a timely manner, all commercially reasonable actions and steps necessary in order that, effective as at the Closing Date: (i) the ADL Shares, including for greater certainty, the Consideration Shares issuable pursuant to the Share Exchange, be listed and posted for trading on the TSXV; (ii) when received, ADL shall provide REAL with copies of the conditional and final approval of the TSXV respecting the Share Exchange and, the listing and posting for trading of the Consideration Shares; and (iii) the distribution of ADL Shares to the REAL Shareholders is exempt from the prospectus and registration requirements of Applicable Securities Laws.

Section 6.2 Preparation of Financial Statements

(a) ADL shall use commercially reasonable efforts to prepare and file with the TSXV and with any other Canadian securities regulatory authorities, as required, the financial statements of ADL in the form required by the TSXV or the Canadian securities regulatory authorities.

(b) REAL shall use commercially reasonable efforts to prepare and file with the TSXV and with any other Canadian securities regulatory authorities, as required, the financial statements of REAL in the form required by the TSXV or the Canadian securities regulatory authorities.

(c) REAL and ADL shall co-operate fully and shall use commercially reasonable efforts to prepare and file with the TSXV and with any other Canadian securities regulatory authorities, as required, the pro forma financial statements reflecting the combination of REAL and ADL in the form required by the TSXV or the Canadian securities regulatory authorities.

Section 6.3 Additional Agreements

Each of the parties hereto agrees to use its commercially reasonable efforts to take, or cause to be taken, all action and to do, or cause to be done, all things necessary, proper or advisable to consummate and make effective as promptly as practicable the transactions contemplated by this Agreement and to cooperate with each other in connection with the foregoing, including using commercially reasonable efforts to:

(a) obtain all necessary waivers, consents and approvals from other parties to material agreements, leases and other contracts or agreements;

(b) obtain all necessary consents, approvals, and authorizations as are required to be obtained under any federal, provincial or foreign law or regulations;

(c) defend all lawsuits or other legal proceedings challenging this Agreement or the consummation of the transactions contemplated hereby;

(d) cause to be lifted or rescinded any injunction or restraining order or other remedy adversely affecting the ability of the parties to consummate the transactions contemplated hereby;

(e) effect all necessary registrations and other filings and submissions of information requested by governmental authorities;

(f) comply with all provisions of this Agreement; and

(g) provide such officers' certificates as may be reasonably requested by the other parties hereto in respect of the representations, warranties and covenants of a party hereto.

Section 6.4 Access to Information

(a) Upon reasonable notice, REAL shall afford to ADL's directors, officers, counsel, accountants and other authorized representatives and advisers complete access (or, where necessary, the provision of the information requested), during normal business hours and at such other time or times as the parties may reasonably request, from the date hereof and until the earlier of the Closing Date and the termination of this Agreement, to its properties, books, contracts and records as well as to management personnel of REAL as ADL may require or may reasonably request.

(b) Upon reasonable notice, ADL shall afford to REAL's directors, officers, counsel, accountants and other authorized representatives and advisers complete access (or, where necessary, the provision of the information requested), during normal business hours and at such other time or times as the parties may reasonably request, from the date hereof and until the earlier of the Closing Date and the termination of this Agreement, to its properties, books, contracts and records as well as to management personnel of ADL as REAL may require or may reasonably request.

Section 6.5 Conduct of Business of REAL

REAL covenants and agrees that, during the period from the date of this Agreement until the earlier of the Closing Date and the date this Agreement is terminated in accordance with its terms, unless ADL shall otherwise consent in writing (such consents not to be unreasonably withheld or delayed), except as required by law or as otherwise expressly permitted or specifically contemplated by this Agreement:

(a) REAL shall use all commercially reasonable efforts to maintain and preserve its business, the REAL Assets and business relationships;

(b) REAL shall notify ADL of any Material Adverse Effect on its business; and

(c) REAL shall not directly or indirectly:

(i) take any action which may interfere with or be inconsistent with the successful completion of the transactions contemplated herein or take any action or fail to take any action which may result in a condition precedent to the transactions described herein not being satisfied;

(ii) except as disclosed herein, pledge, hypothecate, lease, dispose of or encumber any REAL Shares or other securities or any right, option or warrant with respect thereto;

(iii) amend or propose to amend its Articles, unless such amendment is required to give effect to the transactions contemplated herein, or with the consent of ADL, such consent not to be unreasonably withheld;

(iv) split, combine or reclassify any of its securities or declare or make any Distribution or distribute any of its properties or assets to any Person;

(v) other than in the Ordinary Course of Business, enter into or amend any employment contracts with any director, officer or senior management employee, create or amend any employee benefit plan, make any increases in the base compensation, bonuses, paid vacation time allowed or fringe benefits for its directors, officers, employees or consultants;

(vi) acquire or agree to acquire (by tender offer, exchange offer, merger, amalgamation, acquisition of shares or assets or otherwise) any Person, partnership or other business organization or division or acquire or agree to acquire any material assets;

(vii) other than in the Ordinary Course of Business create any option or bonus plan, pay any bonuses, deferred or otherwise, or defer any compensation to any of its directors, officers or employees;

(viii) make any material change in accounting procedures or practices, other than the transition to IFRS from US GAAP as contemplated by Section 6.2(b);

(ix) mortgage, pledge or hypothecate any of the REAL Assets, or subject them to any Lien, except Permitted Liens;

(x) except in the Ordinary Course of Business, enter into any agreement or arrangement granting any rights to purchase or lease any of the REAL Assets or requiring the consent of any Person to the transfer, assignment or lease of any of the REAL Assets;

(xi) dispose of or permit to lapse any rights to the use of any REAL Intangible Property;

(xii) except in the Ordinary Course of Business, sell, lease, sublease, assign or transfer (by tender offer, exchange offer, merger, amalgamation, sale of shares or assets or otherwise) any of the REAL Assets, or cancel, waive or compromise any debts or claims, including accounts payable to and receivable from Affiliates;

(xiii) enter into any other material transaction or any amendment of any contract, lease, agreement, license or sublicense which is material to its business;

(xiv) settle any outstanding claim, dispute, litigation matter, or tax dispute;

(xv) transfer any assets to the REAL Shareholders or any of their Subsidiaries or Affiliates or assume any Indebtedness from the REAL Shareholders or any of their Subsidiaries or Affiliates or enter into any other related party transactions;

(xvi) other than pursuant to the REAL Private Placement or the issuance of REAL Shares on conversion thereof, on the exercise of currently outstanding securities that are convertible into REAL Shares, or the grant of up to 2,000,000 REAL Stock Options to be granted prior to Closing, issue from treasury any REAL Shares or otherwise grant or issue any options, warrants or other securities convertible into REAL Shares without the prior approval of ADL; or

(xvii) enter into any agreement or understanding to do any of the foregoing.

Section 6.6 General Covenants of ADL

ADL covenants and agrees that during the period from the date of this Agreement until the earlier of the Closing Date and the date this Agreement is terminated in accordance with its terms, unless REAL, otherwise consents in writing (such consent not to be unreasonably withheld or delayed):

(a) the business of ADL shall be conducted in the ordinary course and ADL shall use its commercially reasonable efforts to maintain and preserve its business, assets and business relationships, except as may be otherwise required by law or pursuant to the terms of this Agreement;

(b) ADL shall notify REAL of any Material Adverse Effect on its business;

(c) ADL shall at all times comply with all applicable policies of the TSXV, including but not limited to Policy 2.4, and all Applicable Securities Laws;

(d) subject to applicable law (including the time limits imposed thereunder), ADL shall obtain prior approval of REAL as to the content and form of any press release or other public disclosure relating to the Share Exchange;

(e) ADL shall not directly or indirectly:

(i) take any action which may interfere with or be inconsistent with the successful completion of the transactions contemplated herein or take any action or fail to take any action which may result in a condition precedent to the transactions described herein not being satisfied;

(ii) pledge, hypothecate, lease, dispose of or encumber any ADL Shares or other securities of ADL or any right, option or warrant with respect thereto;

(iii) amend or propose to amend its Articles or by-laws except as contemplated by this Agreement;

(iv) split, combine or reclassify any of its securities or declare or make any Distribution, or distribute any of its property or assets to any Person;

(v) other than in the Ordinary Course of Business, enter into or amend any employment contracts with any director, officer or senior management employee, create or amend any employee benefit plan, make any increases in the base compensation, bonuses, paid vacation time allowed or fringe benefits for its directors, officers, employees or consultants;

(vi) make any capital expenditures, additions or improvements or commitments for the same, except in the Ordinary Course of Business or in connection with the transactions contemplated herein;

(vii) enter into any contract, commitment or agreement under which it would incur indebtedness for borrowed money or for the deferred purchase price of property (other than such property acquired in the Ordinary Course of Business consistent with past practice), or would have the right or obligation to incur any such indebtedness or obligation, or make any loan or advance to any Person;

(viii) other than as contemplated herein, acquire or agree to acquire (by tender offer, exchange offer, merger, amalgamation, acquisition of shares or assets or otherwise) any Person, partnership, joint venture or other business organization or division or acquire or agree to acquire any material assets;

(ix) enter into any material contracts regarding its business operations, including joint ventures, partnerships or other arrangements;

(x) create any stock option or bonus plan, pay any bonuses, deferred or otherwise, or defer any compensation to any of its directors or officers;

(xi) make any material change in accounting procedures or practices;

(xii) engage in any business that is outside of the business that is being currently conducted by ADL, whether as a partner, joint venture participant or otherwise;

(xiii) enter into any other material transaction, or any amendment of any contract, lease, agreement, license or sublicense which is material to its business;

(xiv) settle any outstanding claim, dispute, litigation matter, or tax dispute;

(xv) other than pursuant to the ADL Private Placement, issue from treasury any ADL Shares or otherwise grant or issue any options, warrants or other securities convertible into ADL shares without the prior approval of REAL; or

(xvi) enter into any agreement or understanding to do any of the foregoing.

(f) ADL shall take all requisite action to (i) complete the ADL Name Change; and (ii) complete the Share Exchange;

(g) ADL shall take all requisite action to obtain the requisite approvals to elect or appoint four (4) directors of ADL at the Closing Time of which there will be three
(3) nominees of REAL and one (1) nominee of ADL;

(h) upon ADL receiving notification or other information from any regulatory authority or body concerning the transactions contemplated hereunder, to promptly disclose such information in writing to the counsel for REAL;

(i) in consultation with REAL and its counsel, forthwith use its commercially reasonable efforts to obtain all necessary regulatory approvals to make application to the TSXV for listing of the Consideration Shares issued pursuant to this Agreement on the TSXV upon the Closing and assist in making all submissions, preparing all press releases and circulars and making all notifications required with respect to this transaction and the issuance of shares as contemplated hereunder; and

(j) to file, duly and timely, all Tax Returns required to be filed by it and to pay promptly all taxes, assessments and governmental charges which are claimed by any governmental authority to be due and owing and not to enter into any agreement, waiver or other arrangement providing for an extension of time with respect to the filing of any tax return or the payment or assessment of any tax, governmental charge or deficiency.

Section 6.7 Covenants of the REAL Shareholders

Each of the REAL Shareholders covenant and agree that during the period from the date of this Agreement until the earlier of the Closing Date and the date this Agreement is terminated in accordance with its terms, unless ADL otherwise consents in writing (such consent not to be unreasonably withheld or delayed), the Purchased Shares shall not be sold, pledged, hypothecated, leased, disposed of or encumbered in any way.

Section 6.8 Standstill

From the date of the acceptance of this Agreement until completion of the transactions contemplated herein or the earlier termination hereof, REAL, the REAL Shareholders and ADL will not, directly or indirectly, solicit, initiate, assist, facilitate, promote or encourage proposals or offers from, entertain or enter into discussions or negotiations with, or provide information relating to its securities or assets, business, operations, affairs or financial condition to any persons in connection with the acquisition or distribution of any securities of REAL, or ADL, or any amalgamation, merger, consolidation, arrangement, restructuring, refinancing, sale of any material assets of REAL or ADL, unless such action, matter or transaction is part of the transactions contemplated in this Agreement, including, but not limited to, the REAL Private Placement or the ADL Private Placement, or is satisfactory to, and is approved in writing in advance by the other party hereto or is necessary to carry on the normal course of business.

ARTICLE 7 CONDITIONS TO OBLIGATION TO CLOSE

Section 7.1 ADL's Closing Conditions

ADL's obligation to issue ADL Shares in exchange for the REAL Shares on the Closing Date pursuant to Article 2 is subject to compliance by REAL and the REAL Shareholders with their agreements herein contained and to the satisfaction, on or prior to the Closing Date, of the following conditions:

(a) ***Constating Documents and Certificate of Corporate Existence.*** ADL shall have received from REAL: (i) a copy, certified by one duly authorized officer of REAL and each REAL Subsidiary to be true and complete as of the Closing Date, of the Articles of REAL and each REAL Subsidiary; and (ii) a certificate of good standing for REAL and each REAL Subsidiary dated not more than three days prior to the Closing Date.

(b) ***Required Approvals***. REAL shall have obtained the approval of the board of directors of REAL, and any other necessary approvals for this Agreement and the Share Exchange.

(c) ***Proof of Corporate Action***. ADL shall have received from REAL a copy, certified by a duly authorized officer thereof to be true and complete as of the Closing Date, of the records of all corporate action taken to authorize the execution, delivery and performance of this Agreement.

(d) ***Incumbency Certificates***. ADL shall have received from REAL an incumbency certificate, dated the Closing Date, signed by a duly authorized officer thereof and giving the name and bearing a specimen signature of each individual who shall be authorized to sign, in the name and on behalf of REAL, this Agreement and any other ancillary documents.

(e) ***Legal Opinion***. ADL shall have received from the counsel of REAL a favourable opinion covering such matters with respect to the transactions contemplated by this Agreement as ADL and its counsel may reasonably request and which are customary for transactions of this nature.

(f) ***Representations and Warranties***. The representations and warranties of REAL contained herein shall be true and correct in all material respects, on and as of the Closing Date with the same force and effect as if such representations and warranties were made at such time, and ADL shall have received on the Closing Date certificates to this effect, signed by one authorized officer of REAL.

(g) ***Covenants***. All of the terms, covenants and conditions of this Agreement to be complied with or performed by REAL at or before the Closing Date shall have been materially complied with or performed and ADL shall have received on the Closing Date certificates to this effect signed by authorized officers of REAL.

(h) ***Regulatory and Other Consents***. There shall have been obtained from all appropriate federal, provincial, municipal or other governmental or administrative bodies such licences, permits, consents, approvals, certificates, registrations and authorizations as are required to be obtained by each REAL Shareholder to permit the transfer of the REAL Shares in each case and the exchange of the REAL Shares for ADL Shares. Additionally, all required approvals, consents, authorizations and waivers relating to the consummation of the transactions contemplated by this Agreement shall have been obtained from the TSXV and the securities regulatory authorities in Ontario, British Columbia and Alberta, including the acceptance, by the TSXV of the transactions contemplated in this Agreement.

(i) ***No Action or Proceeding***. No *bona fide* legal or regulatory action or proceeding seeking to enjoin, restrict or prohibit the exchange by the REAL Shareholders of the REAL Shares for ADL Shares or the right of REAL or ADL from and after the Closing Time to conduct, expand and develop the business of REAL shall be pending.

(j) ***No Material Adverse Change***. No change shall have occurred in the business, affairs, financial condition or operations of REAL or any REAL Subsidiary between the date hereof and the Closing Date which would have a Material Adverse Effect.

(k) ***TSXV Approval.*** The TSXV shall have approved the Share Exchange and agreed to list the ADL Shares (including the Consideration Shares and other ADL shares that may be issuable on the exercise of securities convertible into ADL Shares) on the TSXV and all other matters contemplated herein, as required.

(l) ***Other Certificates***. ADL shall have received a certificate, dated the Closing Date, signed by Tamir Poleg as an officer of REAL and not in his personal capacity, certifying that he is not aware of any facts or matters that are inconsistent with the representations and warranties being given by REAL pursuant to this Agreement.

(m) ***No REAL Convertible Securities.*** Immediately following Closing, REAL will have no outstanding convertible securities, agreements or obligations for the exercise, conversion or issuance of REAL Shares.

(n) ***Entire Interest.*** All of the issued and outstanding REAL Shares at the Closing Time shall be delivered or such rights shall be transferred to ADL at the time of Closing.

The agreements, certificates, documents, other evidence of compliance and opinions described in this Section 7.1 shall be in form and substance satisfactory to ADL, acting reasonably, and shall, except as otherwise provided, be delivered to ADL at the Closing; provided, however, aAny one or more of the foregoing conditions may be waived in writing by ADL.

Section 7.2 REAL Shareholders' Closing Conditions

The obligations of the REAL Shareholders to transfer and assign to ADL the Purchased Shares in exchange for the Consideration Shares pursuant to Article 2 is subject to compliance by ADL with its agreements herein contained and to the satisfaction, on or before the Closing Date of the following conditions, unless waived by REAL on behalf of the REAL Shareholders:

(a) ***Constating Documents and Certificate of Corporate Existence.*** REAL shall have received from ADL: (i) a copy, certified by a duly authorized officer of ADL, to be true and complete as of the Closing Date, of the Articles of ADL; (ii) a copy, certified by a duly authorized officer of ADL, to be true and complete as of the Closing Date, of the by-laws thereof; and (iii) a certificate dated not more than three days prior to the Closing Date, of the government of British Columbia as to ADL's corporate good standing and evidence of "no default" in respect of the securities legislation of each jurisdiction in which ADL is a reporting issuer.

(b) ***TSXV Issuer***. Upon the Closing of the Share Exchange, ADL satisfying the minimum listing requirements of the TSXV for a Tier 1 or Tier 2 Issuer, as evidenced before Closing by a conditional listing letter issued by the TSXV.

(c) ***Compliance with Sponsorship Requirement.*** ADL shall have complied with or obtained a waiver from the sponsorship requirements set out in TSXV Policy 2.2 Sponsorship and Sponsorship Requirements, and in the event a waiver is not granted, ADL shall have engaged a sponsor in accordance therewith, and the TSXV shall have accepted the sponsor's report in respect of the Share Exchange.

(d) ***Required Approvals***. ADL shall have obtained the requisite approval of the board of directors of ADL and of the shareholders of ADL, as necessary, and any other necessary approvals for this Agreement, and including without limitation, to: (i) complete the ADL Name Change, (ii) elect or appoint four (4) directors of ADL at the Closing Time, and (iii) complete the Share Exchange.

(e) ***Proof of Corporate Action***. REAL shall have received from ADL copies, certified by a duly authorized officer thereof to be true and complete as of the Closing Date, of the records of all corporate action taken to authorize the execution, delivery and performance of this Agreement.

(f) ***Incumbency Certificate***. REAL shall have received from ADL an incumbency certificate, dated the Closing Date, signed by a duly authorized officer thereof and giving the name and bearing a specimen signature of each individual who shall be authorized to sign, in the name and on behalf of ADL, this Agreement and any other ancillary documents.

(g) ***Representations and Warranties***. The representations and warranties of ADL contained herein shall be true and correct in all material respects on and as of the Closing Date with the same force and effect, as if such representations and warranties were made at such time, and REAL shall have received on the Closing Date certificates to this effect signed by one authorized officer of ADL.

(h) ***Covenants.*** All of the terms, covenants and conditions of this Agreement to be complied with or performed by ADL at or before the Closing Date shall have been complied with or performed and REAL shall have received on the Closing Date certificates to this effect signed by an authorized officer of ADL.

(i) ***Legal Opinion***. REAL and all REAL Shareholders shall have received from the counsel of ADL a favourable opinion covering such matters with respect to the transactions contemplated by this Agreement as REAL and its counsel may reasonably request and which are customary for transactions of this nature.

(j) ***Changes in Directors and Officers.*** Upon completion of the Share Exchange, the board of directors of ADL will consist of four (4) directors of which there will be three (3) nominees of REAL and one (1) nominee of ADL. At least two (2) of such directors shall be independent directors (as defined in section 1.4 of Multilateral Instrument 52-110 Audit Committees). Tamir Poleg shall be appointed the Chief Executive Officer and Chairman of the Board of ADL and Gus Patel shall be appointed Chief Financial Officer and Corporate Security of ADL.

(k) ***Regulatory Consents.*** All required approvals, consents, authorizations and waivers relating to the consummation of the transactions contemplated by this Agreement shall have been obtained from the TSXV including (i) the issuance of all necessary receipts, approvals, and acceptances of the ADL Name Change; and (ii) the acceptance by the TSXV of the transactions contemplated in this Agreement.

(l) REAL Private Placement and ADL Private Placement. ADL and REAL shall have taken all necessary steps to complete the ADL Private Placement and the REAL Private Placement on or before the closing of the Share Exchange.

(m) ***No Action or Proceeding.*** No bona fide legal or regulatory action or proceeding shall be pending or threatened by any person to enjoin, restrict or prohibit the exchange by the REAL Shareholders of the REAL Shares for ADL Shares.

(n) ***TSXV Approval.*** The TSXV shall have approved the Qualifying Transaction and the Share Exchange and agreed to list the ADL Shares (including the Consideration Shares and any ADL Shares issuable on exercise, conversion or exchange of convertible ADL securities issued in connection with the Share Exchange) on the TSXV and all other matters contemplated herein, as required.

(o) ***No Material Adverse Change***. No change shall have occurred in the business, affairs, financial condition or operations of ADL between the date hereof and the Closing Date which would have a Material Adverse Effect.

(p) ***Other Certificates.*** REAL shall have received: (i) certificates addressed to REAL and the REAL Shareholders, dated the Closing Date, signed by two executive officers of ADL in their personal capacities, certifying that such individuals are not aware of any facts or any facts or matters that are inconsistent with the representations and warranties being given by ADL pursuant to this Agreement; and (ii) a list of ADL Assets and liabilities, certified by an executive officer of ADL, in form and substance satisfactory to REAL in its sole discretion, acting reasonably.

(q) ***Dilution.*** ADL shall not have more than 10,300,000 ADL Shares on a fully diluted basis on the closing of the Share Exchange at the Closing Time, before giving effect to the Share Exchange, the REAL Private Placement and the ADL Private Placement.

(r) ***Cash Position.*** ADL shall have a minimum cash balance of CAD $350,000 net of any debt or liabilities including trade payables.

(s) ***General***. All instruments and corporate proceedings in connection with the transactions contemplated by this Agreement shall be satisfactory in form and substance to REAL and its counsel, acting reasonably, and REAL shall have received copies of all documents as provided for herein, including, without limitation, records of corporate or other proceedings and consents which REAL may have reasonably requested in connection therewith.

The agreements, certificates, documents and other evidence of compliance described in this Section 7.2 shall be in form and substance satisfactory to REAL, acting reasonably, and shall, except as otherwise provided, be delivered to REAL at the Closing; provided, however, any one or more of the foregoing conditions may be waived in writing by REAL.

ARTICLE 8 TERMINATION

Section 8.1 Termination

This Agreement may be terminated by written notice given by the terminating party to the other party hereto, at any time prior to the Closing:

(a) by mutual written consent;

(b) by either REAL or ADL, if there has been a misrepresentation, breach or non- performance by the breaching party of any representation, warranty, covenant or obligation contained in this Agreement, which could reasonably be expected to have a Material Adverse Effect on the breaching party, provided the breaching party has been given notice of and thirty (30) days to cure any such misrepresentation, breach or non-performance;

(c) by either REAL or ADL, if a condition for the terminating party's benefit has not been satisfied or waived by the time such condition was required to have been fulfilled;

(d) by either REAL or ADL, if the Closing has not occurred on or before March 31, 2020 or such later date as may be agreed to by REAL and ADL (provided, that the right to terminate this Agreement under this sub-section (d) shall not be available to any party whose failure to fulfill any of its obligations under this Agreement has been the cause of or resulted in the failure to consummate the transactions contemplated hereby by such date).

Section 8.2 Effect of Termination

In the event of the termination of this Agreement as provided in Section 8.1, this Agreement shall forthwith have no further force or effect and there shall be no obligation on the part of the parties hereunder except with respect to: (i) Section 8.1, Article 9 and Section 11.2 which will survive such termination, and (ii) a breach arising from the fraud or wilful misconduct of any party.

Section 8.3 Waivers and Extensions

At any time prior to the Closing Time, each of the parties hereto may (a) extend the time for the performance of any of the obligations or other acts of another party hereto, (b) waive any inaccuracies in the representations and warranties contained herein or in any document delivered pursuant hereto or (c) waive compliance with any of the agreements or conditions contained herein. Any such extension or waiver shall be valid if set forth in an instrument in writing signed by the party to be bound thereby. The REAL Shareholders hereby delegate the rights in (a), (b) and (c) to REAL to exercise on their behalf in REAL's sole discretion.

ARTICLE 9 TRANSACTION COSTS

Section 9.1 Transaction Costs

In the event of the termination of this Agreement pursuant to Section 8.1 hereof, all costs of the Share Exchange incurred by REAL, the REAL Shareholders and ADL, as the case may be, in connection with this Agreement, including legal fees, financial advisor fees and all disbursements by such parties and their advisors shall be borne and paid by the party incurring the costs.

ARTICLE 10 NOTICES

Section 10.1 Notices

Any demand, notice or communication to be made or given under or pursuant to this Agreement is to be in writing, except as otherwise expressly permitted or required under this Agreement, and may be made or given by personal delivery, by registered mail or by email addressed to the respective parties as follows:

If to ADL, then to the following address:

ADL Ventures Inc.
175 Bloor Street East, North Tower, Suite 901
Toronto, Ontario M4W 3R8

Attention: Laurence Rose, Chairman & CEO

Email: Laurence.rose@omegaats.com

or at such other address as ADL shall have specified by notice actually received by the addressor;

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

Stikeman Elliott LLP
Suite 1700, Park Place, 666 Burrard Street
Vancouver, British Columbia V6C 2X8

Attention: Neville McClure
Email: nmcclure@stikeman.com

If to REAL or the REAL Shareholders then to the following address:

Real Technology Broker Ltd.
3 Shmurat Hasharon St.
Shefayim, 60990, Israel

Attention: Tamir Poleg
E-mail: tamir@joinreal.com

or at such other address as REAL shall have specified by notice actually received by the addressor;

with copies (which shall not constitute notice) to:

Gowling WLG (Canada) LLP
1 First Canadian Place, Suite 1600
Toronto, Ontario M5X 1G5
Canada

Attention: Jason A. Saltzman
Email: jason.saltzman@gowlingwlg.com

and

Meitar Liquornik Geva Leshem Tal, Law Offices
16 Abba Hillel Road
Ramat Gan, 5250608, Israel

Attention: David S. Glatt
Email: dglatt@meitar.com

or to such other mailing or facsimile machine address as any party may from time notify the others of in accordance with this paragraph. Any demand, notice or communication made or given by personal delivery is conclusively deemed to have been given on the day of actual delivery thereof, or, if made or given by registered mail, on the fifth business day following the deposit thereof in the mail or, if made or given by facsimile transmission, on the first business day following the transmittal thereof and receipt of the appropriate answer back. If the party making or giving such demand, notice or communication knows or ought reasonably to know, of difficulties with the postal system which might affect the delivery of mail, any such demand, notice or communication is not to be mailed but is to be made or given by personal delivery or by facsimile transmission.

ARTICLE 11 MISCELLANEOUS

Section 11.1 Power of Attorney

The REAL Shareholders hereby severally and irrevocably appoint REAL as their agent and attorney to take any action that is required or to execute and deliver any documents on their behalf, including without limitation, for the purposes of all standard Closing matters and deliveries of documents required to facilitate Closing on substantially the terms set out herein and do and cause to be done all such acts and things as may be necessary or desirable in connection with the Share Exchange and the transactions contemplated in this Agreement. Such appointment is coupled with an interest and is irrevocable. Without limiting the generality of the foregoing, REAL may, on behalf of itself and the REAL Shareholders, extend the Time of Closing or Closing Date, modify or waive such conditions as are contemplated herein, negotiate, settle and deliver the final forms of any documents that are necessary or desirable to give effect to the Share Exchange and the transactions contemplated in this Agreement on substantially the terms set out herein, other than any escrow agreements required to be entered into by an REAL Shareholder by the TSXV and any material amendments to the Agreement. The REAL Shareholders hereby acknowledge and agree that any decision or exercise of discretion required to be made by REAL under this Agreement shall be final and binding upon the REAL Shareholders so long as such decision or exercise of discretion was made bona fide and hereby release REAL and its directors and officers from any liability which may arise pursuant to the exercise of any authority granted under this paragraph. ADL shall have no duty to enquire into the validity of any document executed or other taken by REAL on behalf of the REAL Shareholders pursuant to this Section 11.1.

Section 11.2 Amendments and Waivers

Except as otherwise expressly provided herein, any term of this Agreement may be amended and the observance of any term of this Agreement may be waived (either generally or in a particular instance and either retroactively or prospectively) if, but only if, such amendment or waiver is in writing and is signed, in the case of an amendment, by each of REAL (on behalf of itself and the REAL Shareholders) and ADL, or in the case of a waiver, by the party against whom the waiver is to be effective. Any amendment or waiver effected in accordance with this Section 11.1 shall be binding upon the REAL Shareholders, REAL and ADL pursuant to this Agreement.

Section 11.3 Consent to Jurisdiction

Each of the REAL Shareholders, REAL and ADL hereby agrees to submit to the non-exclusive jurisdiction of the courts in and of the Province of Ontario and to the courts to which an appeal of the decisions of such courts may be taken, and consents that service of process with respect to all courts in and of the Province of Ontario may be made by registered mail to it at the address set forth in Article 10.

Section 11.4 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein without giving effect to any choice or conflict of law provision or rule that would cause the application of the domestic substantive laws of any other jurisdiction, and shall bind and inure to the benefit of the parties hereto and their respective successors and assigns.

Section 11.5 Further Assurances

REAL, the REAL Shareholders and ADL, upon the request of any other party hereto, whether before or after the Closing, shall do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered all such further acts, deeds, documents, assignments, transfers, conveyances, powers of attorney and assurances as may be reasonably necessary or desirable to effect complete consummation of the Share Exchange.

Section 11.6 Time

Time is of the essence of this Agreement.

Section 11.7 Assignment

This Agreement may not be assigned by any of the parties hereto without the prior written consent of REAL and ADL, such consents not to be unreasonably withheld or delayed.

Section 11.8 Public Announcement; Disclosure; Confidentiality

REAL and the REAL Shareholders shall not make any public announcement concerning this Agreement or the matters contemplated herein, their discussions or any other memoranda, letters or agreements between the parties relating to the matters contemplated herein without the prior consent of ADL, which consent shall not be unreasonably withheld, and ADL shall not make any public announcement concerning this Agreement or the matters contemplated herein, its discussions or any other memoranda, letters or agreements between the parties relating to the matters contemplated herein without the prior consent of REAL, which consent shall not be unreasonably withheld, provided that no party shall be prevented from making any disclosure which is required to be made by law or any rules of a stock exchange or similar organization to which it is bound.

All information provided to or received by the parties hereunder shall be treated as confidential ("**Confidential Information**"). Subject to the provisions of this Section, no Confidential Information shall be published by any party hereto without the prior written consent of the others, but such consent in respect of the reporting of factual data shall not be unreasonably withheld. The consent required by this Section shall not apply to a disclosure to: (a) comply with any applicable laws, stock exchange rules or a regulatory authority having jurisdiction; (b) a director, officer or employee of a party; (c) an affiliate (within the meaning of the BCBCA) of a party; (d) a consultant, contractor or subcontractor of a party that has a bona fide need to be informed; (e) any third party to whom the disclosing party may assign any of its rights under this Agreement; provided, however, that in the case of subsection (e) the third party or parties, as the case may be, agree to maintain in confidence any of the Confidential Information so disclosed to them.

The obligations of confidence and prohibitions against use of Confidential Information under this Agreement shall not apply to information that the disclosing party can show by reasonable documentary evidence or otherwise: (a) as of the date of this Agreement, was in the public domain; (b) after the date of this Agreement, was published or otherwise became part of the public domain through no fault of the disclosing party or an affiliate thereof (but only after, and only to the extent that, it is published or otherwise becomes part of the public domain); or (c) was information that the disclosing party or its affiliates were required to disclose pursuant to the order of any government or judicial authority.

Section 11.9 Independent Legal Advice.

Each of the parties to this Agreement acknowledges and agrees that Gowling WLG (Canada) LLP and Meitar Liquornik Geva Leshem Tal, Law Offices (collectively, "**REAL's Counsel**") have acted as legal counsel to REAL only and Stikeman Elliott LLP ("**SE**") has acted as Canadian legal counsel to ADL only and not to any other party to this Agreement, and that neither REAL's Counsel nor SE has been engaged to protect the rights and interests of any of the other parties, meaning the REAL Shareholders. Each of the REAL Shareholders acknowledges and agrees that REAL, ADL, REAL's Counsel and SE have given them adequate opportunity to seek, and have recommended that they seek and obtain, independent legal advice with respect to the subject matter of this Agreement and for the purpose of ensuring their rights and interests are protected. Each of the other parties represents and warrants to REAL, ADL, REAL's Counsel and SE that they have sought independent legal advice or consciously chosen not to do so with full knowledge of the risks associated with not obtaining such independent legal advice.

Section 11.10 Personal Information

Each of the REAL Shareholders hereby consents to the disclosure of his or her personal information in connection with the transactions contemplated by this Agreement, including without limitation the Share Exchange, and acknowledges and consents to the fact that REAL and ADL are collecting the personal information (as that term is defined under applicable privacy legislation, including the *Personal Information Protection and Electronic Documents Act* (Canada) and any other applicable similar, replacement or supplemental provincial or federal legislation or laws in effect in Canada from time to time) of the REAL Shareholder for the purposes of completing this Agreement and the transactions contemplated hereby. Each REAL Shareholder acknowledges and consents to REAL and ADL retaining such personal information for as long as permitted or required by law or business practices. Each REAL Shareholder further acknowledges and consents to the fact that REAL and ADL may be required by applicable securities legislation or the rules and policies of the TSXV to provide regulatory authorities with any personal information provided by REAL in this Agreement and each REAL Shareholder further consents to the public disclosure of such information by electronic filing or by any other means.

Section 11.11 Entire Agreement, Counterparts, Section Headings

This Agreement, and the Schedules hereto, sets forth the entire understanding of the parties hereto with respect to the transactions contemplated hereby and supersedes any prior written or oral understandings with respect thereto, including, without limitation, the letter of intent between REAL and ADL dated August 13, 2019. This Agreement may be executed by facsimile or electronic mail and in one or more counterparts thereof, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. The headings in this

Agreement are for convenience of reference only and shall not alter or otherwise affect the meaning hereof.

[REMAINDER OF PAGE LEFT BLANK INTENTIONALLY]

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

The parties have executed this Agreement.

REAL TECHNOLOGY BROKLER LTD.

Per: /s/ "*Tamir Poleg*"
Authorized Signing Officer

ADL VENTURES INC.

Per: /s/ "Laurence Rose"
Authorized Signing Officer

[REDACTED – REAL SHAREHOLDER SIGNATURE PAGES]

Schedule “A”
REAL Shareholders

Name of Shareholder and address	Number of REAL Shares Held	Number of Consideration Shares to be Received
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
[redacted] [redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
[redacted] [redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
[redacted] [redacted]	[redacted]	[redacted]
[redacted] [redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
[redacted]	[redacted]	[redacted]
[redacted] [redacted]	[redacted]	[redacted]
[redacted] [redacted]	[redacted]	[redacted]
[redacted] [redacted]	[redacted]	[redacted]
[redacted] [redacted]	[redacted]	[redacted]
[redacted] [redacted]	[redacted]	[redacted]
TOTAL:	**106,717,954**	**107,602,893**

NOTICE OF CHANGE IN CORPORATE STRUCTURE

Pursuant to Section 4.9 of National Instrument 51-102 -
Continuous Disclosure Obligations (the "Instrument")

Item 1. Names of the parties to the transaction

The Real Brokerage Inc. (formerly ADL Ventures Inc.) (the "**Company**") and Real Technology Broker Ltd. ("**Real**").

Item 2. Description of the transaction

On June 5, 2020, the Company completed its acquisition of all of the issued and outstanding securities of Real, a private company incorporated under the laws of Israel, which constitutes the Company's "**Qualifying Transaction**" under Policy 2.4 – *Capital Pool Companies* of the TSX Venture Exchange (the "**Exchange**")

On March 5, 2020, the Company and Real entered into a securities exchange agreement (the "**Securities Exchange Agreement**") pursuant to which the Company would acquire all of the issued and outstanding securities of Real as part of the Qualifying Transaction.

The Securities Exchange Agreement provided for the acquisition of all of the issued and outstanding common shares, warrants and options of Real by the Company in exchange for common shares (the "**Common Shares**") and options of the Company. In particular, shareholders of Real were issued (i) an aggregate of 110,303,732 Common Shares (the "**Consideration Shares**") (based on the deemed value ascribed to Real as negotiated between the Company and Real of CAD$27,575,933, at a deemed issue price of CAD$0.25), resulting in 1.0083 Consideration Share for each one Real share held; and (ii) an aggregate of 6,098,411 options. As a result of the Qualifying Transaction, the Company became the sole beneficial owner of all of the outstanding securities of Real. The Company is the parent company of Real which will continue its business.

In addition, aggregate gross proceeds totaling US$1,586,139.37 were raised prior to the closing of the Qualifying Transaction by way of a private placement of subscription receipts of the Company (the "**Private Placement**"). Each subscription receipt was exercisable into one Common Share and were automatically exercised upon completion of the Qualifying Transaction. The Common Shares issued pursuant to the Private Placement are subject to a six month hold period from the date of closing of the Private Placement comprised of a 4 month regulatory hold period plus an additional two month hold period based on contractual lock-up commitments of the subscribers.

Pursuant to the terms of an escrow agreement dated June 5, 2020 among the Company, Computershare Trust Company of Canada as escrow agent and certain escrow securityholders, an aggregate of 62,257,250 Common Shares and 5,330,172 options have been placed in escrow, whereby 25% of such securities were released immediately upon the issuance of the Exchange bulletin evidencing final acceptance of the Qualifying Transaction and the balance of such securities will be released in equal tranches of 25% every six months thereafter.

The Common Shares commenced trading on the Exchange on June 12, 2020 following the issuance of the final bulletin of the Exchange in respect of the Qualifying Transaction, and under the new name "**The Real Brokerage Inc."** with the trading symbol "**REAX**". The Company will carry on the business of Real.

Upon completion of the Qualifying Transaction, the directors and officers of the Company are as follows: Tamir Poleg – Chairman, Chief Executive Officer and Director; Guy Gamzu – Director; Larry Klane – Director; Laurence Rose – Director; Gus Patel – Chief Financial Officer and Corporate Secretary, Lynda Radosevich – Chief Marketing Officer.

Effective June 17, 2020, the Company changed its registered office to 133 Richmond Street West Suite 302, Toronto, Ontario, M5H 2L3 and effective June 5, 2020 changed its auditors to Brightman Almagor Zohar & Co, a firm in the Deloitte Global Network, with its office at 1 Azrieli Center, Tel Aviv, Israel, 67021.

Additional information regarding the Qualifying Transaction can be found in the filing documents under the Company's profile on SEDAR at www.sedar.com.

Item 3. Effective date of the transaction

The Qualifying Transaction was completed on June 5, 2020.

Item 4. Names of each party that cease to be a reporting issued subsequent to the transaction and of each continuing entity

No party or continuing party is ceasing to be a reporting issuer.

Item 5. The date of the Reporting Issuer's first financial year-end after the transaction

December 31, 2020.

Item 6. The periods, including the comparative periods, of the interim financial reports and annual financial statements for the first financial year following the completion of the transaction

The Company will file interim financial statements for the three months ended March 31, 2020 on or before July 14, 2020, interim financial statements for the six months ended June 30, 2020 on before August 31, 2020, interim financial statements for the nine months ended September 30, 2020 on before November 30, 2020 and annual financial statements for the year ended December 31, 2020 on or before April 30, 2021.

Item 7. The documents filed under National Instrument 51-102 that described the transaction and where the documents can be found

Details of the Qualifying Transaction can be found in the following documents:

- News Release dated August 13, 2019;
- Securities Exchange Agreement dated March 5, 2020;
- News Release dated May 7, 2020;
- Filing Statement dated May 26, 2020;
- News Release dated May 27, 2020;
- Certificate of Change of Name, reflecting the change of the Company's name to The Real Brokerage Inc. dated June 5, 2020;
- News Release dated June 8, 2020;
- News Release dated June 12, 2020;
- Material Change Report dated June 19, 2020;

each of which has been electronically filed with the Canadian securities regulators and available on the System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com under the Company's issuer profile.

Item 8. Date of Report

June 25, 2020

The Real Brokerage Inc. (formerly "ADL Ventures Inc.")

Condensed Interim Financial Statements

For the three months ended March 31, 2020 and 2019
(Unaudited - Expressed in Canadian Dollars)

Notice to Reader

The accompanying unaudited condensed interim financial statements of The Real Brokerage Inc., formerly ADL Ventures Inc., (the "Company") have been prepared by management and approved by the Audit Committee and Board of Directors of the Company. The Company's independent auditors have not performed a review of these condensed interim financial statements for the three months ending March 31, 2020, in accordance with the standards established by the CPA Canada for a review of condensed interim financial statements by an entity's auditors.

The Real Brokerage Inc. (formerly "ADL Ventures Inc")
Condensed Interim Statements of Financial Position
(Expressed in Canadian Dollars)

As at		March 31, 2020 (unaudited)		December 31, 2019 (audited)
Assets				
Current				
Cash and cash equivalents	$	437,593	$	460,592
Liabilities and Shareholders' Equity				
Liabilities				
Current				
Accounts payable	$	65,565	$	65,565
Accrued liabilities		20,000		-
		85,565		65,565
Shareholders' Equity				
Share capital (note 4)		519,973		519,973
Reserves		96,653		96,653
Deficit		(264,598)		(221,599)
		352,028		395,027
Total Liabilities and Shareholders' Equity	$	437,593	$	460,592

Subsequent events (note 4 and 8)

Approved on behalf of the Board on July 14, 2020 by:

Laurence Rose (signed)
Laurence Rose, Director

Tamir Poleg (signed)
Tamir Poleg, Director

The accompanying notes are an integral part of these condensed interim financial statements.

The Real Brokerage Inc. (formerly "ADL Ventures Inc")
Condensed Interim Statements of Comprehensive Loss
(Unaudited - Expressed in Canadian Dollars)

Three months ended	March 31, 2020	March 31, 2019
Operating Expenses		
Regulatory and filing fees	$ 11,692	$ 8,080
Professional fees (note 1)	32,032	12,057
General and administrative	34	31
	$ (43,758)	$ (20,168)
Other Item		
Interest income	759	1,899
Net Loss and Comprehensive Loss	$ (42,999)	$ (18,269)
Basic and diluted loss per share	$ (0.00)	$ (0.00)
Weighted average number of shares outstanding	9,100,000	9,100,000

The accompanying notes are an integral part of these condensed interim financial statements.

The Real Brokerage Inc. (formerly "ADL Ventures Inc")
Condensed Interim Statements of Changes in Shareholders' Equity
(Unaudited - Expressed in Canadian Dollars)

	Number of Outstanding Shares	Share Capital	Deficit	Reserves	Total Shareholders' Equity
Balance, December 31, 2018	9,100,000	$ 519,973	$ (147,466)	$ 96,653	$ 469,160
Net loss for the period	-	-	(18,269)	-	(18,269)
Balance, March 31, 2019	9,100,000	519,973	(165,735)	96,653	450,891
Net loss for the period	-	-	(55,864)	-	(55,864)
Balance, December 31, 2019	9,100,000	519,973	(221,599)	96,653	395,027
Net loss for the period	-	-	(42,999)	-	(42,999)
Balance, March 31, 2020	**9,100,000**	**$ 519,973**	**$ (264,598)**	**$ 96,653**	**$ 352,028**

The accompanying notes are an integral part of these condensed interim financial statements.

The Real Brokerage Inc. (formerly "ADL Ventures Inc")
Condensed Interim Statements of Cash Flows
(Unaudited - Expressed in Canadian Dollars)

Three months ended		March 31, 2020		March 31, 2019
Cash Provided by (Used in)				
Operating Activities				
Net loss	$	(42,999)	$	(18,269)
Changes to non-cash working capital				
Accounts payable and accrued liabilities		20,000		12,057
Net cash used in operating activities		(22,999)		(6,212)
Increase (decrease) in cash		(22,999)		(6,212)
Cash balance, beginning of period		460,592		488,398
Cash balance, end of period	$	437,593	$	482,186
Supplemental disclosure of non-cash transactions				
Agent options included in share issuance costs	$	-	$	-
Amounts paid for interest	$	-	$	-
Amounts paid for taxes	$	-	$	-
Cash and cash equivalents consist of:				
Cash	$	437,593	$	30,287
Guaranteed investment certificate		-		451,899
	$	437,593	$	482,186

There were no cash investing activities of financing activities during the three ended March 31, 2020 and 2019.

The accompanying notes are an integral part of these condensed interim financial statements.

1. Nature of Operations and Going Concern

The Real Brokerage Inc, formerly ADL Ventures Inc., (the "Company") was incorporated under the Business Corporations Act (British Columbia) on February 27, 2018 and is a capital pool company ("CPC"), as defined in TSX Venture Exchange ("TSX-V") Policy 2.4 ("Policy 2.4"). The Company's objective is to identify and evaluate companies, businesses, properties, or assets for acquisition and once identified and evaluated, to negotiate an acquisition or participation subject to receipt of shareholder and regulatory approval (the "Qualifying Transaction").

The Company's registered office address and principle place of business is Suite 302 – 133 Richmond Street West, Toronto, Ontario M5H 2L3.

These condensed interim financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. As at March 31, 2020, the Company has a deficit of $264,598 (December 31, 2019 - $221,599). For the three months ended March 31, 2020, the Company incurred a net loss of $42,999 (2019 - $18,269). There are material uncertainties that may cast significant doubt about the appropriateness of the going concern assumption as the Company has not generated any revenues. These condensed interim financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

On August 13, 2019, the Company announced that it entered into a binding letter of intent with Real Technology Broker Ltd. ("Real") a private company incorporated under the laws of Israel, whereby the Company will acquire all of the issued and outstanding securities of Real by way of a share exchange, arrangement, amalgamation or similar transaction to ultimately form the resulting issuer who will continue on the business of Real. The Company intends that the transaction will constitute its Qualifying Transaction, as such term is defined in the policies of the TSX-V. Subsequent to March 31, 2020, the Company completed the Qualifying Transaction with Real (Note 8).

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. The Company has implemented safety and physical distancing procedures, including working from home where possible and ceased all travel. The Company will continue to monitor the impact of the COVID-19 outbreak, the duration and impact which is unknown at this time, as is the efficacy of any intervention. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company and its operations in future periods.

2. Basis of Presentation

(a) Statement of compliance

These condensed interim financial statements are prepared in accordance with International Accounting Standard ("IAS") 34 "Interim Financial Reporting." They do not include all the information required for full annual financial statements and should be read in conjunction with the Company's audited annual financial statements for the fiscal year ended December 31, 2019, which have been prepared with International Financial Reporting Standards ("IFRS"). The condensed interim financial statements of the Company for the three months ended March 31, 2020 were approved and authorized for issue by the Board of Directors on July 14, 2020.

2. Basis of Presentation (Continued)

(b) Basis of presentation

These condensed interim financial statements have been prepared on a historical cost basis, except for certain financial instruments classified as financial instruments at fair value through profit or loss, which are stated at fair value. In addition, these condensed interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information. These condensed interim financial statements are presented in Canadian dollars, which is the Company's functional currency.

3. Significant Accounting Policies

These condensed interim financial statements have been prepared on the basis of accounting policies and methods of computation consistent with those applied in the Company's audited annual financial statement for the fiscal year ended December 31, 2019.

4. Share Capital

(a) Authorized - Unlimited number of common shares without par value.

(b) Issued and outstanding

The Company issued 6,100,000 founders' common shares which are held in escrow following the Company's initial public offering. The escrowed shares were issued for $0.05 per share to officers and directors of the Company for total proceeds of $305,000. These shares will be released pro rata to the shareholders as to 10% upon issuance of the Final Exchange Bulletin in accordance with Policy 2.4, with the remainder being released in six equal tranches of 15% every six months thereafter for a period of 36 months.

On June 25, 2018, the Company successfully completed its initial public offering of 3,000,000 common shares at a price of $0.10 resulting in gross proceeds of $300,000 and received Final Exchange Bulletin. The Company incurred $85,027 of share issuance costs, including agent options valued at $15,869 (note 4c). Pursuant to the polices of the TSX-V, the proceeds raised from the issuance of common shares may only be used to identify and evaluate assets or businesses for future investment, with the exception that not more than the lesser of 30% of the gross proceeds from the issuance of shares or $210,000 may be used to cover prescribed costs of issuing the common shares or administrative and general expenses of the Company. These restrictions apply until completion of the Qualifying Transaction by the Company as defined under the policies of the TSX-V. Upon completion of the Offering, the Company had 9,100,000 common shares issued and outstanding, which common shares commenced trading on the TSX-V under the symbol "AVI.P".

No shares were issued during the three months ended March 31, 2020 and the year ended December 31, 2019.

4. Share Capital (Continued)

(c) Agents' options

The following table summarizes the Company's agent options activity:

	Number of Agents' Options		Weighted Average Exercise Price
Balance, December 31, 2018 and 2019	300,000	$	0.10
Granted	-		-
Balance, March 31, 2020	300,000	$	0.10

Pursuant to an Agency Agreement between the Company and PI Financial Corp. (the "Agent"), the Agent was granted non-transferable agent options to purchase up to 300,000 common shares at a price of $0.10 per common share, exercisable for a period of 24 months from June 25, 2018. As at March 31, 2020, the weighted average remaining life of the outstanding agent options is 0.24 years (December 31, 2019 - 0.48 years). Subsequent to March 31, 2020, the Company issued 300,000 common shares pursuant to the exercise of agents' options.

(d) Stock options

The Incentive Stock Option Plan provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with TSX-V requirements, grant to directors, officers and technical consultants to the Company, non-transferable options to purchase common shares, exercisable for a period of up to ten years from the date of grant, provided that, until the completion of the Qualifying Transaction the number of common shares reserved for issuance shall not exceed 900,000. Options granted to any optionee that does not continue as a director, officer, technical consultant or employee of the Company may be exercised the greater of 12 months after the completion of the Qualifying Transaction and 90 days following the cessation of the optionee's position with the Company, provided that if the cessation of office, directorship or technical consulting arrangement was by reason of death, the option may be exercised within a maximum period of one year after such death, subject to the expiry date of such option.

4. Share Capital (Continued)

(d) Stock options (continued)

Pursuant to Policy 2.4 of the TSX-V, prior to the completion of the Qualifying Transaction, certain additional restrictions respecting the grant of stock options apply to the Company:

- The total number of common shares reserved under option for issuance may not exceed 10% of the common shares outstanding as at the closing of the Initial Public Offering ("IPO"). The number of common shares reserved under option for issuance to any individual director or officer may not exceed 5% of the common shares outstanding after closing of the IPO.
- Other than directors and officers, options may only be issued to technical consultants required to assist the Company in reviewing potential Qualifying Transactions. The number of common shares reserved under option for issuance to all technical consultants may not exceed 2% of the common shares to be outstanding after closing of the IPO.
- Options may not be issued to any persons providing investor relations, promotion or market making services.

The following is a summary of changes in stock options:

	Number of Options		Weighted Average Exercise Price
Balance, December 31, 2018 and 2019	900,000	$	0.10
Granted	-		-
Balance outstanding and exercisable, March 31, 2020	900,000	$	0.10

On June 25, 2018, the Company granted 900,000 stock options with an exercise price of $0.10 per share and expiry date of June 25, 2028. These stock options were vested immediately. As at March 31, 2020, the weighted average remaining life of the outstanding agent options is 8.24 years (December 31, 2019 – 8.49 years).

Total share-based compensation recorded during the three months ended March 31, 2020 was $nil (2019 - $nil).

Subsequent to March 31, 2020, the Company issued 675,000 common shares pursuant to the exercise of stock options.

5. Financial Instruments

Fair value

As at March 31, 2020, the Company's financial instruments consist of cash and cash equivalents and accounts payable. The fair values of these financial instruments approximate their carrying values because of their current nature.

IFRS 13, *Fair Value Measurement*, establishes a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used to measure fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. IFRS 13 prioritizes the inputs into three levels that may be used to measure fair value:

Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical unrestricted assets or liabilities.

Level 2 – Inputs that are observable, either directly or indirectly, but do not qualify as Level 1 inputs (i.e. quoted prices for similar assets or liabilities).

Level 3 – Prices or valuation techniques that are not based on observable market data and require inputs that are both significant to the fair value measurement and unobservable.

The Company is exposed to varying degrees to a variety of financial instrument related risks:

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk for the Company is associated with its cash and cash equivalents. The Company is not exposed to significant credit risk as its cash and cash equivalents is placed with a major Canadian financial institution.

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. At March 31, 2020, the Company has sufficient funds to meet its obligations of $85,565 (December 31, 2019 - $65,565). The Company's accounts payable have contractual maturities of less than 30 days and are subject to normal trade terms.

(c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk comprises three types of risk: foreign currency risk, interest rate risk and other price risk. The Company is not exposed to significant market risk.

6. Capital Management

The Company is actively looking to acquire an interest in a business or assets and this involves a high degree of risk. The Company has not determined whether it will be successful in its endeavours and does not generate cash flows from operations. The Company's primary source of funds comes from the issuance of common shares. The Company does not use other sources of financing that require fixed payments of interest and principal due to lack of cash flow from current operations and is not subject to any externally imposed capital requirements.

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern.

The Company defines its capital as shareholders' equity. Capital requirements are driven by the Company's general operations. To effectively manage the Company's capital requirements, the Company monitors expenses and overhead to ensure costs and commitments are being paid.

7. Related Party Transactions

Related parties include the Board of Directors, close family members and enterprises which are controlled by these individuals as well as persons performing similar functions.

During the three months ended March 31, 2020 and 2019, there was no remuneration paid or share-based compensation granted to key management personnel.

8. Subsequent Event

i) On June 5, 2020, the Company completed its acquisition of all of the issued and outstanding securities of Real, a private company incorporated under the laws of Israel, which constitutes the Company's "Qualifying Transaction" under Policy 2.4 – Capital Pool Companies of the TSX Venture Exchange (the "Exchange").

On March 5, 2020, the Company and Real entered into a securities exchange agreement (the "Securities Exchange Agreement") pursuant to which the Company would acquire all of the issued and outstanding securities of Real as part of the Qualifying Transaction.

The Securities Exchange Agreement provided for the acquisition of all of the issued and outstanding common shares, warrants and options of Real by the Company in exchange for common shares (the "Common Shares") and options of the Company. In particular, shareholders of Real were issued (i) an aggregate of 110,303,732 Common Shares (the "Consideration Shares") (based on the deemed value ascribed to Real as negotiated between the Company and Real of CAD$27,575,933, at a deemed issue price of CAD$0.25), resulting in 1.0083 Consideration Share for each one Real share held; and (ii) an aggregate of 6,098,411 options. As a result of the Qualifying Transaction, the Company became the sole beneficial owner of all of the outstanding securities of Real. The Company is the parent company of Real which will continue its business.

8. Subsequent Event (Continued)

In addition, aggregate gross proceeds totaling US$1,586,139 were raised prior to the closing of the Qualifying Transaction by way of a private placement of subscription receipts of the Company (the "Private Placement"). Each subscription receipt was exercisable into one Common Share and were automatically exercised upon completion of the Qualifying Transaction. The Common Shares issued pursuant to the Private Placement are subject to a six month hold period from the date of closing of the Private Placement comprised of a 4 month regulatory hold period plus an additional two month hold period based on contractual lock-up commitments of the subscribers. At March 31, 2020, the Company had $650,710 held in escrow related to the subscription receipts. These funds are not recorded in cash and cash equivalents at March 31, 2020 as the release of the funds is conditional on the completion of the Securities Exchange Agreement.

Pursuant to the terms of an escrow agreement dated June 5, 2020 among the Company, Computershare Trust Company of Canada as escrow agent and certain escrow securityholders, an aggregate of 62,257,250 Common Shares and 5,330,172 options have been placed in escrow, whereby 25% of such securities were released immediately upon the issuance of the Exchange bulletin evidencing final acceptance of the Qualifying Transaction and the balance of such securities will be released in equal tranches of 25% every six months thereafter.

The Common Shares commenced trading on the Exchange on June 12, 2020 following the issuance of the final bulletin of the Exchange in respect of the Qualifying Transaction, and under the new name "The Real Brokerage Inc." with the trading symbol "REAX". The Company will carry on the business of Real.

THE REAL BROKERAGE INC. (FORMERLY ADL VENTURES INC.)

MANAGEMENT DISCUSSION AND ANALYSIS FOR THE THREE MONTHS ENDED MARCH 31, 2020

This management discussion and analysis ("MD&A") of The Real Brokerage Inc., formerly ADL Ventures Inc., (the "Company", "we", "our") is for the three months ended March 31, 2020 and is prepared by management using information available as of July 14, 2020. We have prepared this MD&A with reference to National Instrument 51- 102 – Continuous Disclosure Obligations of the Canadian Securities Administrators. This MD&A should be read in conjunction with the Company's condensed interim financial statements for the three months ended March 31, 2020 and the audited financial statements for the year ended December 31, 2019, and the related notes thereto. This MD&A complements and supplements, but does not form part of, the Company's condensed interim financial statements. All amounts are expressed in Canadian dollars unless otherwise indicated.

Forward-Looking Statements

Certain statements contained in this MD&A may constitute forward-looking statements. These statements relate to future events or the Company's future performance. All statements, other than statements of historical fact, may be forward-looking statements and are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "propose", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward- looking statements. The Company believes that the expectations reflected in these forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this MD&A should not be unduly relied upon by investors as actual results may vary. These statements speak only as of the date of this MD&A and are expressly qualified, in their entirety, by this cautionary statement. The Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of various risk factors.

The Company

The Real Brokerage Inc., formerly ADL Ventures Inc., was incorporated under the Business Corporations Act (British Columbia) on February 27, 2018 and is a capital pool company ("CPC"), as defined in TSX Venture Exchange ("TSX- V") Policy 2.4 ("Policy 2.4"). The Company proposes to identify and evaluate companies, businesses, properties, or assets for acquisition and once identified and evaluated, to negotiate an acquisition or participation subject to receipt of shareholder and regulatory approval (the "Qualifying Transaction"). Subsequent to March 31, 2020, the Company completed the Qualifying Transaction.

The Company's registered office address and principle place of business is Suite 302 – 133 Richmond Street West, Toronto, Ontario M5H 2L3.

On June 25, 2018, the Company successfully completed its initial public offering ("IPO") of 3,000,000 common shares at a price of $0.10 resulting in gross proceeds of $300,000. Pursuant to the polices of the TSX-V, the proceeds raised from the issuance of common shares may only be used to identify and evaluate assets or businesses for future investment, with the exception that not more than the lesser of 30% of the gross proceeds from the issuance of shares, or $210,000, may be used to cover prescribed costs of issuing the common shares or administrative and general expenses of the Company. These restrictions apply until completion of the Qualifying Transaction by the Company as defined under the policies of the TSX-V. Upon completion of the Offering, the Company had 9,100,000 common shares issued and outstanding. The Company's common shares commenced trading on the TSX-V under the symbol "AVI.P" on July 6, 2018.

Significant Event

On June 5, 2020, the Company completed its acquisition of all of the issued and outstanding securities of Real Technology Broker Ltd ("Real"), a private company incorporated under the laws of Israel, which constitutes the Company's "Qualifying Transaction" under Policy 2.4 – Capital Pool Companies of the TSX Venture Exchange (the "Exchange").

On March 5, 2020, the Company and Real entered into a securities exchange agreement (the "Securities Exchange Agreement") pursuant to which the Company would acquire all of the issued and outstanding securities of Real as part of the Qualifying Transaction.

The Securities Exchange Agreement provided for the acquisition of all of the issued and outstanding common shares, warrants and options of Real by the Company in exchange for common shares (the "Common Shares") and options of the Company. In particular, shareholders of Real were issued (i) an aggregate of 110,303,732 Common Shares (the "Consideration Shares") (based on the deemed value ascribed to Real as negotiated between the Company and Real of CAD$27,575,933, at a deemed issue price of CAD$0.25), resulting in 1.0083 Consideration Share for each one Real share held; and (ii) an aggregate of 6,098,411 options. As a result of the Qualifying Transaction, the Company became the sole beneficial owner of all of the outstanding securities of Real. The Company is the parent company of Real which will continue its business.

In addition, aggregate gross proceeds totaling US$1,586,139.37 were raised prior to the closing of the Qualifying Transaction by way of a private placement of subscription receipts of the Company (the "Private Placement"). Each subscription receipt was exercisable into one Common Share and were automatically exercised upon completion of the Qualifying Transaction. The Common Shares issued pursuant to the Private Placement are subject to a six month hold period from the date of closing of the Private Placement comprised of a 4 month regulatory hold period plus an additional two month hold period based on contractual lock-up commitments of the subscribers.

Pursuant to the terms of an escrow agreement dated June 5, 2020 among the Company, Computershare Trust Company of Canada as escrow agent and certain escrow securityholders, an aggregate of 62,257,250 Common Shares and 5,330,172 options have been placed in escrow, whereby 25% of such securities were released immediately upon the issuance of the Exchange bulletin evidencing final acceptance of the Qualifying Transaction and the balance of such securities will be released in equal tranches of 25% every six months thereafter.

The Common Shares commenced trading on the Exchange on June 12, 2020 following the issuance of the final bulletin of the Exchange in respect of the Qualifying Transaction, and under the new name "The Real Brokerage Inc." with the trading symbol "REAX". The Company will carry on the business of Real.

Real is a technology driven national real estate brokerage platform primarily operating in the United States through a network of approximately 1,100 agents. Real has a unique operational model providing teams and agents' freedom, flexibility, success tools, long term security and a sense of community to build their reputations and professional assets with the help of a leading-edge digital platform built from the ground up for their success.

Following completion of the Qualifying Transaction, the Company also announced that the board of directors will consist of Tamir Poleg (Chairman), Guy Gamzu, Larry Klane and Laurence Rose. Tamir Poleg is the Chief Executive Officer, Gus Patel is the Chief Financial Officer and Corporate Secretary and Lynda Radosevich is the Chief Marketing Officer.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. The Company has implemented safety and physical distancing procedures, including working from home where possible and ceased all travel. The Company will continue to monitor the impact of the COVID-19 outbreak, the duration and impact which is unknown at this time, as is the efficacy of any intervention. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company and its operations in future periods.

Results of Operations

At March 31, 2020, the Company had no continuing source of operating revenues and related expenditures.

Results for three months ended March 31, 2020

For the three months ended March 31, 2020, the Company recorded a net loss of $42,999 (2019 - $18,269). The increase in the net loss of $24,730 is mainly due to the following changes:

- Regulatory and filing fees increased by $3,612 from the comparative period to $11,692 in the three months ended March 31, 2020 due costs related to the TSX venture sustaining fee and filing fees related to the annual financial statements.
- Professional fees increased by $19,946 from the comparative period to $32,032 in the three months ended March 31, 2020 due to activity related to the Securities Exchange Agreement with Real.

Summary of Quarterly Financial Results

The following is a summary of selected financial information compiled from the eight recent quarterly interim unaudited financial statements ending March 31, 2020:

Period	Net loss for the period $	Loss per share $
June 30, 2018	(110,450)	(0.01)
September 30, 2018	(15,021)	(0.00)
December 31, 2018	(21,995)	(0.00)
March 31, 2019	(18,269)	(0.00)
June 30, 2019	(13,548)	(0.00)
September 30, 2019	(33,009)	(0.00)
December 31, 2019	(9,307)	(0.00)
March 31, 2020	(42,999)	(0.00)

The variability of the net loss during the most recent quarters is mainly due to significant expenses related to activities and services utilized in connection to the Company's completion of the prospectus and completion of the IPO during the quarter ended June 30, 2018. During the three months ended September 30, 2019, there was an increase in the net loss of $19,461 from the quarter ended June 30, 2019 due to increased legal expenses related to the binding letter of intent with Real. During the three months ended December 31, 2019, the net loss decreased by $23,702 when compared to the three months ended September 30, 2019 due to a decrease in legal fees. During the three months ended March 31, 2020, the net loss increased by $33,692 due to legal expenses related to the Securities Exchange Agreement with Real.

Due to limited historical activity in the Company, no trends have been noted in reviewing the summary of selected financial information for the eight quarters ended March 31, 2020. The Company has not earned any revenue since inception.

Liquidity and Capital Resources

The Company has financed its operations to date through the issuance of common shares. The Company continues to seek capital through various means including the issuance of equity and/or debt.

At March 31, 2020, the Company had cash and cash equivalents on hand of $437,593 (December 31, 2019 - $460,592) to meets is obligations of $85,565 (December 31, 2019 - $65,565).

During the three months ended March 31, 2020, the Company had a decrease in cash and cash equivalents of $22,999 due to administrative and legal expenses.

Outstanding Share Data

As of the date of this MD&A, 9,100,000 common shares were issued and outstanding relating to ADL Ventures Inc. (March 31, 2020 – 9,100,000). The outstanding securities and options have been summarized in the following table:

	As at the date of this MD&A	As at March 31, 2020
Common shares issued and outstanding	9,100,000	9,100,000
Agents' options	-	300,000
Stock options	225,000	900,000

Subsequent to March 31, 2020, the following share capital transactions occurred:

- Refer to the significant event section for common shares, stock options, and agents' options issued in connection to the Securities Exchange Agreement with Real. The above outstanding share data does not reflect these amounts.
- Subsequent to March 31, 2020, the Company issued 675,000 common shares pursuant to the exercise of stock options at an exercise price of $0.10.
- Subsequent to March 31, 2020, the Company issued 300,000 common shares pursuant to the exercise of agents' options at an exercise price of $0.10.

Related Party Transactions

During the three months ended March 31, 2020 and the year ended December 31, 2019, no related party transactions occurred.

Off-Balance Sheet Arrangements

The Company has not had any off-balance sheet arrangements at the date of this MD&A.

Proposed Transactions

Other than the above noted Significant Event, there are at present no transactions outstanding that have been proposed but not approved by either the Company or regulatory authorities.

Capital Management

The Company's objective when managing capital is to maintain its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

The Company includes equity, comprised of share capital, reserves and deficit, in the definition of capital.

The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the identification and evaluation of potential acquisitions. To secure the additional capital necessary to pursue these plans, the Company may attempt to raise additional funds through the issuance of equity or by securing strategic partners.

The proceeds raised from the issuance of common shares may only be used to identify and evaluate assets or businesses for future investment, with the exception that not more than the lesser of 30% of the gross proceeds from the issuance of shares, or $210,000, may be used to cover prescribed costs of issuing the common shares or administrative and general expenses of the Company. These restrictions apply until completion of a Qualifying Transaction by the Company as defined under the Exchange policy 2.4.

Financial Instruments

The Company's financial instruments, consisting of cash and cash equivalents and accounts payable and accrued liabilities, approximate fair value due to the relatively short-term maturities of the instruments. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

Risks and Uncertainties

The Company's sole objective is to identify a satisfactory Qualifying Transaction. The closing of any proposed Qualifying Transaction is subject to several terms and conditions, including completion of due diligence procedures by parties to the transaction and receipt of all required regulatory approvals, and there is no assurance that a transaction will be completed. If the Company does not complete a Qualifying Transaction within the time permitted by the Exchange, its common shares could be delisted.

The proposed business of the Company and the completion of a Qualifying Transaction involves a high degree of risk and there is no assurance that the Company will identify an appropriate business for acquisition or investment, and even if so identified and warranted, it may not be able to finance such an acquisition or investment within the requisite time period. Additional funds will be required to enable the Company to pursue such an initiative and the Company may be unable to obtain such financing on terms which are satisfactory to it. Furthermore, there is no assurance that the business will be profitable. These factors indicate the existence of a material uncertainty that may cast doubt about the Company's ability to continue as a going concern. Should the Company be unable to continue as a going concern, the net realizable value of its assets may be materially less than the amounts on its statement of financial position.

Conflicts of Interest

The Company's directors and officers may serve as directors or officers, or may be associated with other reporting companies, or have significant shareholdings in other public companies. To the extent that such other companies may participate in business or asset acquisitions, dispositions, or ventures in which the Company may participate, the directors and officers of the Company may have a conflict of interest in negotiating and concluding on terms with respect to the transaction. If a conflict of interest arises, the Company will follow the provisions of the *Business Corporations Act* (British Columbia) (the "BCBCA") in dealing with conflicts of interest. These provisions state that where a director has such a conflict, that director must, at a meeting of the Company's directors, disclose his or her interest and refrain from voting on the matter unless otherwise permitted by the BCBCA. In accordance with the laws of the Province of British Columbia, the directors and officers of the Company are required to act honestly, in good faith, and in the best interest of the Company.

Coronavirus Pandemic

The current outbreak of COVID-19 and any future emergence and spread of similar pathogens could have an adverse impact on global economic conditions, which may adversely impact the Company's operations, and the operations of its suppliers, contractors and service providers, the ability to obtain financing and maintain necessary liquidity, and the ability to explore the Company's properties. The outbreak of COVID-19 and political upheavals in various countries have caused significant volatility in commodity prices. While these effects are expected to be temporary, the duration of the business disruptions internationally and related financial impact cannot be reasonably estimated at this time.

Similarly, the Company cannot estimate whether or to what extent this outbreak and the potential financial impact may extend to countries outside of those currently impacted. Travel bans and other government restrictions may also adversely impact the Company's operations and the ability of the Company to advance its projects. In particular, if any employees or consultants of the Company become infected with Coronavirus or similar pathogens and/or the Company is unable to source necessary consumables or supplies, due to government restrictions or otherwise, it could have a material negative impact on the Company's operations and prospects, including the complete shutdown of one or more of its exploration programs. The situation is dynamic and changing day-to-day. The Company is exploring several options to deal with any repercussions that may occur as a result of the COVID- 19 outbreak.

Significant Accounting Policies

The Company's significant accounting policies are summarized in Note 3 to the audited financial statements for the year ended December 31, 2019.

Changes in Accounting Policies

During the three months ended March 31, 2020, there have been no changes in significant accounting policies.

Additional Information

For further detail, see the Company's condensed interim financial statements for the three months ended March 31, 2020 and the audited annual financial statements for the year ended December 31, 2019. Additional information about the Company can also be found on SEDAR at www.sedar.com.

FORM 52-109FV2

CERTIFICATION OF INTERIM FILINGS
VENTURE ISSUER BASIC CERTIFICATE

I, Gus Patel, Chief Financial Officer of The Real Brokerage Inc. (formerly "ADL Ventures Inc."), certify the following:

1. ***Review:*** I have reviewed the interim financial report and interim MD&A (together, the "interim filings") of The Real Brokerage Inc. (the "issuer") for the interim period ended March 31, 2020.

2. ***No misrepresentations:*** Based on my knowledge, having exercised reasonable diligence, the interim filings 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, with respect to the period covered by the interim filings.

3. ***Fair presentation:*** Based on my knowledge, having exercised reasonable diligence, the interim financial report together with the other financial information included in the interim filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the interim filings.

Date: July 14, 2020

"Gus Patel"
Gus Patel
Chief Financial Officer

NOTE TO READER

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* (NI 52-109), this Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of

i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

FORM 52-109FV2

CERTIFICATION OF INTERIM FILINGS
VENTURE ISSUER BASIC CERTIFICATE

I, Tamir Poleg, Chief Executive Officer of The Real Brokerage Inc. (formerly "ADL Ventures Inc."), certify the following:

1. ***Review:*** I have reviewed the interim financial report and interim MD&A (together, the "interim filings") of The Real Brokerage Inc. (the "issuer") for the interim period ended March 31, 2020.

2. ***No misrepresentations:*** Based on my knowledge, having exercised reasonable diligence, the interim filings 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, with respect to the period covered by the interim filings.

3. ***Fair presentation:*** Based on my knowledge, having exercised reasonable diligence, the interim financial report together with the other financial information included in the interim filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the interim filings.

Date: July 14, 2020

"Tamir Poleg"
Tamir Poleg
Chief Executive Officer

NOTE TO READER

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* (NI 52-109), this Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of

i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Real Technology Broker Ltd.

Interim Condensed Consolidated Financial Statements

March 31, 2020

(Unaudited)

Table of Contents

	Note	March 31, 2020	December 31, 2019
Assets			
Cash	*10*	**54**	53
Restricted cash	*10*	**42**	43
Trade receivables	*9*	**213**	56
Other receivables		**10**	10
Prepaid expenses and deposits		**34**	33
Current assets		**353**	195
Property and equipment	*11*	**1**	1
Right-of-use assets	*11*	**185**	212
Non-current assets		**186**	213
Total assets		**539**	408
Liabilities			
Accounts payable and accrued liabilities		**523**	336
Other payables		**30**	40
Lease liabilities	*14*	**122**	122
Current liabilities		**675**	498
Lease liabilities	*14*	**85**	100
Preferred shares	*12*	**11,750**	11,750
Non-current liabilities		**11,835**	11,850
Total liabilities		**12,510**	12,348
Deficit			
Share capital	*12*	**1,187**	1,187
Share premium	*12*	**78**	78
Stock-based compensation reserve		**1,834**	1,622
Deficit		**(15,070)**	(14,827)
Total deficit		**(11,971)**	(11,940)
Total liabilities and deficit		**539**	408
Commitments and contingencies	*16*		
Subsequent events	*18*		

The notes are an integral part of these unaudited interim condensed consolidated financial statements.

	Note	March 31, 2020	March 31, 2019
Revenue	5	**2,936**	4,795
Cost of sales	6	**2,552**	4,433
Gross profit		**384**	362
Selling expenses	6	**152**	106
Administrative expenses	6	**784**	672
Research and development expenses	6	**23**	92
Operating loss		**(575)**	(508)
Finance (income) costs		**(332)**	2
Loss before tax		**(243)**	(510)
Total loss and comprehensive loss		**(243)**	(510)
Earnings per share			
Basic and diluted loss per share	7	**(0.006)**	(0.012)

The notes are an integral part of these unaudited interim condensed consolidated financial statements.

	Share capital	Share premium	Stock-based compensation reserve	Deficit	Total equity
Balance, at January 1, 2019	1,187	78	1,134	(12,576)	(10,177)
Total loss and comprehensive loss for the period	-	-	-	(510)	(510)
Equity-settled share-based payment	-	-	122	-	122
Balance, at March 31, 2019	1,187	78	1,256	(13,086)	(10,565)
Balance, at January 1, 2020	1,187	78	1,622	(14,827)	(11,940)
Total loss and comprehensive loss for the period	-	-	-	**(243)**	**(243)**
Equity-settled share-based payment	-	-	**212**	-	**212**
Balance, at March 31, 2020	**1,187**	**78**	**1,834**	**(15,070)**	**(11,971)**

The notes are an integral part of these unaudited interim condensed consolidated financial statements.

In thousands of U.S. dollars	March 31, 2020	March 31, 2019
Cash flows from operating activities		
Loss for the period	(243)	(510)
Adjustments for:		
– Depreciation	27	37
– Equity-settled share-based payment transactions	212	122
– Finance costs and other	(46)	(34)
	(50)	(385)
Changes in:		
– Restricted cash	1	(1)
– Trade receivables	(157)	55
– Other receivables	-	(2)
– Prepaid expenses and deposits	(1)	(4)
– Accounts payable and accrued liabilities	187	(4)
– Other payables	(10)	(13)
Net cash used in operating activities	(30)	(353)
Cash flows from financing activities		
Proceeds from issuance of common shares	-	7
Payment of lease liabilities	(15)	-
Net cash provided by (used in) financing activities	(15)	7
Net decrease in cash and cash equivalents	(45)	(346)
Cash, January 1	96	485
Effect of movements in exchange rates on cash held	3	4
Cash, March 31	54	143

The notes are an integral part of these unaudited interim condensed consolidated financial statements.

1. General information

Real Technology Broker Ltd ("Real" or the "Company") is a technology-powered real estate brokerage firm, licensed in over 20 states with over 1,100 agents. Real offers agents a mobile focused tech-platform to run their business, as well as attractive business terms and wealth building opportunities. The consolidated operations of Real include the subsidiaries of Real Broker MA, LLC incorporated on July 11, 2018 under the law of the state of Delaware, Real Broker CT, LLC incorporated on July 11, 2018 under the law of the state of Delaware, Real Broker, LLC (formerly Realtyka, LLC) incorporated on October 17, 2014 under the law of the state of Texas, and Real Brokerage Technologies Inc. (formerly Realtyka Tech Ltd.) incorporated on June 29, 2014 in the state of Israel. The Company's registered head office is 89 Medinat Hayehudim, Herzliya, Israel, 4676672.

2. Basis of preparation

A. Statement of compliance

The unaudited interim condensed consolidated financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting as issued by the by the International Accounting Standards Board ("IASB"). The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the Company's annual audited consolidated financial statements for the year ended December 31, 2019. These unaudited interim condensed consolidated financial statements were authorized for issuance by the Board of Directors on July 14, 2020.

B. Functional and presentation currency

These unaudited interim condensed consolidated financial statements are presented in U.S. dollars, which is the Company's functional currency. All amounts have been rounded to the nearest thousands of dollars, unless otherwise noted.

C. Significant judgments, estimates and assumptions

The preparation of Real's unaudited interim condensed consolidated financial statements require management to make judgments, estimates and assumptions that effect the amounts reported. In the process of applying Real's accounting policies, management was required to apply judgment in certain areas. Estimates and assumptions made by management are based on events and circumstances that existed at the unaudited interim condensed consolidated balance sheet date. Accordingly, actual results may differ from these estimates.

The significant judgments, estimates and assumptions in the preparation of the unaudited interim condensed consolidated financial statements are consistent with those followed in the preparation of the Company's annual consolidated financial statements for the year ended December 31, 2019 and 2018.

D. Basis for segmentation

In measuring its performance, the Company does not distinguish or group its operations on a geographical or on any other basis, and accordingly has a single reportable operating segment. Management has applied judgment by aggregating its operating segments into one single reportable segment for disclosure purposes. Such judgment considers the nature of the operations, and an expectation of operating segments within a reportable segment, which have similar long-term economic characteristics.

2. Basis of preparation (cont'd)

D. Basis for segmentation (cont'd)

The Company's Chief Executive Officer is the chief operating decision maker, and regularly reviews operations and performance on an aggregated basis. The Company does not have any significant customers or any significant groups of customers.

E. Basis of consolidation

i. Subsidiaries

Subsidiaries are entities controlled by the Company. The Company 'controls' an entity when it is exposed to, or has the rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the interim condensed consolidated financial statements from the date on which control commences until the date on which control ceases.

ii. Transactions eliminated on consolidation

Intercompany balances and transactions, and any unrealized income and expenses arising from intercompany transactions, are eliminated. Unrealized losses are eliminated in the same way unrealized gains, but only to the extent there is no evidence of impairment.

4. Significant accounting policies

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the annual consolidated financial statements for the year ended December 31, 2019, except for the adoption of new standards effective as of January 1, 2020.

A. Changes in accounting policies

Amendments to IAS 1, Presentation of Financial Statements ("IAS 1") and IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors ("IAS 8") – Definition of Material

In October 2018, the IASB issued amendments to IAS 1 and IAS 8 to align the definition of "material" across the standards and to clarify certain aspects of the definition. The new definition states that, "Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." These amendments are effective January 1, 2020. The amendments to the definition of material and have not had a significant impact on the Company's interim condensed consolidated financial statements.

B. Future changes in accounting policies

The Company monitors the potential changes proposed by the IASB and analyzes the effect that changes in the standards may have on the Company's operations. Standards issued but not yet effective up to the date of issuance of these interim condensed consolidated financial statements are described below. This description is of the standards and interpretations issued that the Company reasonably expects to be applicable at a future date. The Company intends to adopt these standards when they become effective.

4. Significant accounting policies (cont'd)

B. Future changes in accounting policies (cont'd)

IAS 1, Presentation of Financial Statements ("IAS 1")

In January 2010, the IASB issued amendments to IAS 1, Presentation of Financial Statements to clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and is unaffected by expectations about whether or not an entity will exercise their right to defer settlement of a liability. The amendments further clarify that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets, or services. The amendments are effective for annual reporting periods beginning on or after January 1, 2022 and must be applied retrospectively.
The Company is currently evaluating the impact of these amendments on its interim condensed consolidated financial statements and will apply the amendments from the effective date.

5. Revenue

For the three month period ended March 31,	2020	2019
Major service lines		
Commissions	2,917	4,762
Subscriptions	13	18
Other	6	15
Total revenue	2,936	4,795
Timing of revenue recognition		
Products transferred at a point in time	2,917	4,762
Services transferred over time	13	18
Revenue from contracts with customers	2,930	4,780
Other revenue	6	15
Total revenue	2,936	4,795

6. Expenses by nature

For the three month period ended March 31,	2020	2019
Commissions to agents	2,552	4,433
General and administrative	422	278
Consultancy	191	130
Advertising	152	106
Salaries and benefits	127	183
Depreciation	27	1
Dues and subscriptions	20	44
Travel	26	92
Occupancy costs (recovery)	(6)	36
Total cost of sales, selling expenses, administrative and research and development expenses	3,511	5,303

7. Loss per share

A. Weighted average number of ordinary shares

In thousands of shares	2020	2019
Issued ordinary shares at January 1,	41,797	41,797
Effect of share options exercised	2	-
Weighted-average number of ordinary shares at March 31,	41,799	41,797

B. Diluted earnings per share

In thousands of shares	2020	2019
Issued ordinary shares at January 1,	41,797	41,797
Effect of share options on issue	10,566	2,381
Weighted-average number of ordinary shares (diluted) at March 31,	52,363	44,178

8. Share-based payment arrangements

A. Description of share-based payment arrangements

i. Stock option plan (equity-settled)

On January 20, 2016, the Company established a stock-option plan that entitles key management personnel and employees to purchase shares in the Company. Under the stock-option plan, holders of vested options are entitled to purchase shares based for the exercise price as determined at grant date.

The key terms and conditions related to the grants under these programs are as follows; all options are to be settled by physical delivery of shares.

B. Measurement of fair values

Grant date	Number of instruments	Vesting conditions	Contractual life of options
On January, 2016	142	25% on first anniversary, then quarterly vesting	4 years
On January, 2017	559	25% on first anniversary, then quarterly vesting	4 years
On June, 2018	326	25% on first anniversary, then quarterly vesting	4 years
On July, 2018	244	Immediate	4 years
On March, 2019	30	Immediate	4 years
On March, 2019	283	Quarterly vesting	3 years
On July, 2019	3,523	25% on first anniversary, then quarterly vesting	4 years
On January, 2020	60	25% on first anniversary, then quarterly vesting	4 years
On March, 2020	244	Immediate	4 years
On March, 2020	100	Quarterly vesting	3 years
On March, 2020	280	25% on first anniversary, then quarterly vesting	4 years
	5,791		

The fair value of the stock-options has been measured using the Black-Scholes formula which was also used to determine the Company's share value. Service and non-market performance conditions attached to the arrangements were not considered in measuring fair value.

8. Share-based payment arrangements (cont'd)

The inputs used in the measurement of the fair values at the grant and measurement date were as follows:

		2020		2020		2019
Share price	$	0.14	$	0.14	$	0.13
Exercise price	$	0.13	$	0.13	$	0.13
Expected volatility (weighted-average)		66.1%		66.1%		66.1%
Expected life (weighted-average)		4 years		3 years		4 years
Expected dividends		–%		–%		–%
Risk-free interest rate (based on government bonds)		1.67%		1.67%		2.14%

Expected volatility has been based on an evaluation of based on a comparable companies' historical volatility of the share price, particularly over the historical period commensurate with the expected term.

C. Reconciliation of outstanding stock-options

The number and weighted-average exercise prices of stock-options under the stock option plan (see A(i)) are as follows:

	Number of options March 31, 2020		Weighted-average exercise price March 31, 2020	Number of options December 31, 2019		Weighted-average exercise price December 31, 2019
Outstanding at beginning of period (year)	24,249	$	0.13	20,413	$	0.13
Granted during the period (year)	684	$	0.13	3,836	$	0.13
Outstanding at end of period (year)	24,933	$	0.13	24,249	$	0.13
Exerciseable at period (year)	11,726			11,726		

The stock-options outstanding as at March 31, 2020 had an exercise price of $0.13 (2019: $0.13) and a weighted-average contractual life of 3.8 years (2018: 4 years).

9. Trade receivables

	March 31, 2020	December 31, 2019
Trade receivables	250	64
Less: allowance for trade receivables	(37)	(8)
Trade receivables	213	56

Information about the Company's exposure to credit and market risks, and impairment losses for trade receivables is included in Note 15(C)(ii).

10. Cash

	March 31, 2020	December 31, 2019
Bank balances	54	53
Restricted cash	42	43
	96	96

11. Property and equipment and right-of-use assets

	Right-of-use assets	Computer equipment	Furniture and equipment	Total
Cost				
Balance at December 31, 2019	433	21	65	**519**
Additions	-	-	-	-
Balance at March 31, 2020	**433**	**21**	**65**	**519**
Accumulated depreciation				
Balance at December 31, 2019	221	21	64	**306**
Depreciation	26	-	1	**27**
Balance at March 31, 2020	**247**	**21**	**65**	**333**
Carrying amounts				
At December 31, 2019	212	-	1	**213**
At March 31, 2020	**186**	-	-	**186**

12. Capital and reserves

A. Share capital and share premium

	Ordinary shares		Non-redeemable preference shares	
	March 31, 2020	December 31, 2019	March 31, 2020	December 31, 2019
In issue at beginning of period (year)	1,187	1,187	11,750	10,750
Issued for cash	-	-	-	1,000
In issue at end of period (year) – fully paid	**1,187**	1,187	**11,750**	11,750
Authorized – par value $1, in thousands of shares	**123,000**	123,000	**66,000**	66,000

All ordinary shares rank equally with regards to the Company's residual assets. Preference shareholders participate only to the extent of the face value of the shares.

ii. Preferred shares

During 2019, the Company completed a private placement of 7,143 series A preferred shares at a price of $0.14. The fair value of preferred shares issued were $1,000.

13. Capital management

Real defines capital as its equity. The Company's objective when managing capital is:

– to safeguard the ability to continue as a going concern, so that it can continue to provide returns to shareholders and benefits to other stakeholders; and

– to provide adequate return to shareholders by obtaining an appropriate amount of financing commensurate with the level of risk.

The Company sets the amount of capital in proportion to the risk. Real manages its capital structure and adjusts considering changes in economic conditions and the characteristic risk of underlying assets. To maintain or adjust the capital structure, the Company may repurchase shares, return capital to shareholders, issue new shares or sell asset to reduce debt. Real's objective is met by retaining adequate liquidity to provide the possibility that cash flows from its assets will not be sufficient to meet operational, investing and financing requirements. There have been no changes to the Company's capital management policies during the periods ended March 31, 2020 and 2019.

14. Lease liabilities

	March 31, 2020	December 31, 2019
Maturity analysis – contractual undiscounted cash flows		
Less than one year	126	124
One year to five years	87	106
Total undiscounted lease liabilities	213	230
Lease liabilities included in the balance sheet	207	222
Current	122	122
Non-current	85	100

15. Financial instruments – Fair values and risk management

The Company has exposure to the following risks arising from financial instruments:

– credit risk (see (ii));

– liquidity risk (see (iii)); and

– market risk (see (iv)).

i. Risk management framework

The Company's activity exposes it to a variety of financial risks, including credit risk, liquidity risk and market risk. These financial risks are managed by the Company under policies approved by the Board of Directors. The principal financial risks are actively managed by the Company's finance department, within Board approved policies and guidelines.

On an ongoing basis, the finance department actively monitors the market conditions, with a view of minimizing exposure of the Company to changing market factors, while at the same time limiting the funding costs of the Company. The Company's audit committee oversees how management monitors compliance with the risk management
policies and procedures and review the adequacy of the risk management framework in relation to the risks faced by the Company.

15. Financial instruments – Fair values and risk management (cont'd)

ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers. The receivables are processed through an intermediary trustee, as part of the structure of every deal, which ensures collection on the close of a successful transaction. In order to mitigate the residual risk, the Company contracts exclusively with reputable and credit-worthy partners.

The carrying amount of financial assets and contract assets represents the maximum credit exposure.

The risk management committee has established a credit policy under which each new customer is analyzed individually for creditworthiness before the Company's standard payment and terms and conditions are offered.

The Company does not require collateral in respect to trade and other receivables. The Company does not have trade receivable and contract assets for which no loss allowance is recognized because of collateral. As at March 31, 2020, the exposure to credit risk for trade receivables of $251 is limited to U.S. only and there is no material receivables from other geographical region.

The Company uses an allowance matrix to measure the ECLs of trade receivables from individual customers, which comprise a very large number of small balances.

iii. Liquidity risk

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off. Roll rates are calculated separately for exposures in different segments based on the following common credit risk characteristics – geographic region, credit information about the customer and the type of home purchased.

Loss rates are based on actual credit loss experience. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions of the Company's view of economic conditions over the expected lives of the receivables.

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to maintaining liquidity is to ensure, as far as possible, that it will have sufficient cash and cash equivalents and other liquid assets to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

iv. Market risk

Market risk is the risk that changes in market prices – e.g. foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Currency risk

The Company is exposed to transactional foreign currency risk to the extent there is a mismatch between currencies in which purchases and receivables are denominated and the respective functional currencies of the Company. The currencies in which transactions are primarily denominated are U.S. dollars and Israeli shekel.

15. Financial instruments – Fair values and risk management (cont'd)

iv. Market risk (cont'd)

Exposure to currency risk

The summary of quantitative data about the Company's exposure to currency risk as reported to management of the Company is as follows.

	March 31, 2020		December 31, 2019	
In thousands of US dollars	Real Broker LLC	Real Technologies Inc.	Real Broker LLC	Real Technologies Inc.
Trade receivables	213	-	56	-
Trade payables	(523)	-	(313)	(12)
Net balance sheet exposure	(310)	-	(257)	(12)

The following significant exchange rates have been applied.

	Average rate		Period-end spot rate	
	March 31, 2020	December 31, 2019	March 31, 2020	December 31, 2019
ILS 1	0.29	0.28	0.28	0.28

Sensitivity analysis

A reasonably possible strengthening (weakening) of the U.S. dollar or Israeli shekel against all other currencies as at March 31, 2020 would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Average rate		Year-end spot rate	
In thousands of US dollars	Strengthening	Weakening	Strengthening	Weakening
March 31, 2020				
ILS (5% movement)	(17)	17	-	-
December 31, 2019				
ILS (5% movement)	101	(101)	94	(94)

16. Commitments and contingencies

The Company may have various other contractual obligations in the normal course of operations. The Company is not contingently liable with respect to litigation, claims and environmental matters, including those that could result in mandatory damages or other relief. Any expected settlement of claims in excess of amounts recorded will be charged to profit or loss as and when such determination is made.

17. Related parties

	March 31, 2020	March 31, 2019
Salaries and benefits	108	121
Short-term employee benefits	2	2
Consultancy	16	-
Share-based payments	212	122
	338	245

Executive officers participate in the Company's stock option program (see Note 11(A)(i)). Furthermore, real estate agents of the Company are entitled to participate in the stock option program if they meet certain eligibility criteria. Directors of the Company control 13.4% of the voting shares of the Company.

18. Subsequent events

A. Qualifying transaction

On June 5, 2020, Real completed its transaction with ADL Ventures Inc. ("ADL"), a capital pool company incorporated under the Business Corporations Act (British Columbia), which constitutes the Company's "Qualifying Transaction" under Policy 2.4 – Capital Pool Companies of the TSX Venture Exchange (the "Exchange").

On March 5, 2020, the Company and ADL entered into a securities exchange agreement (the "Securities Exchange Agreement") pursuant to which ADL would acquire all of the issued and outstanding securities of Real as part of the Qualifying Transaction.

The Securities Exchange Agreement provided for the acquisition of all of the issued and outstanding common shares, warrants and options of Real by ADL in exchange for common shares and options of ADL. In particular, shareholders of Real were issued:

(i) an aggregate of 110,303,732 common shares ("Consideration Shares") (based on the deemed value ascribed to Real as negotiated between the Company and Real of CAD $27,575,933 at a deemed issuance price of CAD $0.25), resulting in 1.0083 Consideration Share for each one of Real share held;

(ii) conversion of all issued and outstanding Real series A preferred shares into common shares of ADL at a rate of 1 to 1.0083; and

(iii) an aggregate 6,098,411 options. As a result of the Qualifying Transaction, ADL became the sole beneficial owner of all the outstanding securities of Real. ADL is the parent company of Real which will continue its business.

In addition, aggregate gross proceeds totalling $1,586,139 were raised prior to the closing of the Qualifying Transaction by way of a private placement of subscription receipts of the Company (the "Private Placement"). Each subscription receipt was exercisable into one Common Share and were automatically exercised upon completion of the Qualifying Transaction. The Common Shares issued pursuant to the Private Placement comprised of a 4-month regulatory hold period plus an additional two-month hold period based on contractual lock-up commitments of the subscribers.

The Common Shares commenced trading on the Exchange on June 12, 2020 following the issuance of the final bulletin of the Exchange in respect to the Qualifying Transaction, and under the new name "The Real Brokerage Inc." with the trading symbol "REAX". The Company will carry on the business of Real.

18. Subsequent events (cont'd)

B. Coronavirus ("COVID-19")

Since December 31, 2019, the outbreak of the novel string of coronavirus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused a material interruption to businesses, resulting in a global economic slowdown.

The global equity markets have experienced significant volatility and weakness, with the government and central bank reacting with significant monetary and fiscal interventions designed to stabilize the economic conditions. The duration and impact of COVID-19 is unknown, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of those developments and the impact on the financial results and condition of the Company and its operating subsidiaries in future periods.

C. Paycheck Protection Program Loan

On May 9, 2020, the Company entered into a loan agreement with JPMorgan Chase Bank as the lender ("Lender") in an aggregate principal amount of $172 ("PPP Loan") as part of the Paycheck Protection Program under the Coronavirus Aid, Relief, and Economic Security ("CARES") Act. The PPP Loan is evidenced by a promissory note.

Subject to the terms of the promissory note, the PPP Loan bears interest at a rate of 1% per annum, with the first six months of interest deferred, has a term of 2 years, and is unsecured and guaranteed by the Small Business Administration. The Company may apply to the Lender for forgiveness of PPP Loan, with the amount which may be forgiven equal to the sum of payroll costs, covered rent and mortgage obligations, and covered utility payments incurred by the Company during a predefined period as determined by the CARES Act.

THE REAL BROKERAGE INC.

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

TAKE NOTICE THAT an annual general and special meeting (the "**Meeting**") of the shareholders of The Real Brokerage Inc. (the "**Corporation**") will be held at 133 Richmond Street West, Suite 302, Toronto, Ontario on Thursday, August 20, 2020 at 10:00 a.m. for the following purposes:

1. to receive the audited financial statements of the Corporation for the year end dated December 31, 2019 and the accompanying report of the auditors;

2. to appoint auditors of the Corporation for the ensuing year and to authorize the directors of the Corporation to fix the auditors' remuneration, as more fully described in the management information circular (the "**Management Information Circular**") accompanying this notice of Meeting;

3. to elect the directors of the Corporation to serve until the close of the next annual meeting of shareholders of the Corporation or until their successors are elected or appointed;

4. to consider, and, if deemed appropriate, to pass, with or without variation, an ordinary resolution approving an amended and restated stock option plan for the Corporation in the form attached as Schedule "C" to the Management Information Circular;

5. to consider, and, if deemed appropriate, to pass, with or without variation, an ordinary resolution approving a new restricted share unit plan for the Corporation in the form attached as Schedule "D" to the Management Information Circular; and

6. to transact such other business as may be properly brought before the Meeting or any postponement or adjournment thereof.

Information relating to the items above is set forth in the Management Information Circular.

Only shareholders of record as of July 16, 2020, the record date, are entitled to notice of the Meeting and to vote at the meeting and at any adjournment or postponement thereof.

IMPORTANT

With respect to the current COVID-19 outbreak, REAL asks that, in considering whether to attend the meeting in person, shareholders follow the instructions of the Public Health Agency of Canada (https://www.canada.ca/en/public-health/services/diseases/2019-novel- coronavirus-infection.html).

REAL strongly encourages shareholders not to attend the meeting in person and instead to vote their shares by proxy. Any person who is experiencing any of the described COVID- 19 symptoms of fever, cough or difficulty breathing or has travelled in the 14 days prior to the Meeting will not be permitted entry into the meeting. REAL may take additional precautionary measures in relation to the meeting in response to further developments in the COVID-19 outbreak in its sole discretion.

SHAREHOLDERS MAY CONFERENCE INTO THE MEETING BY ZOOM (BUT WILL NOT BE PERMITTED TO VOTE OVER ZOOM IN THIS MANNER) AT:

Join from a PC, Mac, iPad, iPhone or Android device:

https://us02web.zoom.us/j/84743958925

Meeting ID: 847 4395 8925

Or join by phone by calling one of the below numbers and entering the meeting ID (for higher quality, dial a number based on your current location):

Canada: +1 647 558 0588, +1 647 374 4685, +1 587 328 1099, +1 438 809 7799, +1 204 272 7920, +1 778 907 2071

United States: +1 646 876 9923, +1 312 626 6799, +1 646 876 9923, +1 312 626 6799, +1 301 715 8592, +1 669 900 6833, +1 253 215 8782, +1 346 248 7799, +1 408 638 0968

Additional international numbers are available at https://us02web.zoom.us/u/kB40yxPF

DISCLAIMER

ANY PERSON WHO ATTENDS THE MEETING IN PERSON DOES SO AT HIS OR HER OWN RISK AND BY ATTENDING THE MEETING IN PERSON, SUCH PERSON ACKNOWLEDGES AND AGREES THAT THE CORPORATION AND THE DIRECTORS, OFFICERS AND AGENTS THEREOF ARE NOT LIABLE TO THE PERSON FOR ANY ILLNESSES OR OTHER ADVERSE REACTIONS THAT MAY RESULT FROM SUCH PERSON'S ATTENDANCE AT THE MEETING. ANY PERSON WHO ATTEMPTS TO ENTER THE MEETING BUT IS DENIED ENTRY ACKNOWELDGES AND AGREES THAT HE, SHE OR IT SHALL HAVE NO CLAIM AGAINST THE CORPORATION OR ITS, DIRECTORS OFFICERS OR AGENTS FOR SUCH DENIAL OF ENTRY INTO THE MEETING.

Despite the foregoing, it is desirable that as many common shares as possible be represented at the Meeting. If you do not expect to attend in person and would like your common shares represented, please complete the enclosed instrument of proxy and return it as soon as possible in the envelope provided for that purpose. To be valid, all instruments of proxy must be deposited at the office of the Registrar and Transfer Agent of the Corporation, Computershare Investor Services Inc., at its principal office at 100 University Ave, Toronto, Ontario M5J 2Y1 not later than forty-eight (48) hours, excluding Saturdays, Sundays and holidays, prior to the time of the Meeting or any postponement or adjournment thereof. Late instruments of proxy may be accepted or rejected by the Chairman of the Meeting in his discretion and the Chairman is under no obligation to accept or reject any particular late instruments of proxy.

DATED at Toronto, Ontario this 16th day of July, 2020.

By Order of the Board of Directors of The Real Brokerage Inc.

(signed) "*Tamir Poleg*"
Tamir Poleg
Chief Executive Officer

THE REAL BROKERAGE INC.

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS TO BE HELD ON AUGUST 20, 2020

AND

MANAGEMENT INFORMATION CIRCULAR

DATED JULY 16, 2020

THE REAL BROKERAGE INC.

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

TAKE NOTICE THAT an annual general and special meeting (the "**Meeting**") of the shareholders of The Real Brokerage Inc. (the "**Corporation**") will be held at 133 Richmond Street West, Suite 302, Toronto, Ontario on Thursday, August 20, 2020 at 10:00 a.m. for the following purposes:

1. to receive the audited financial statements of the Corporation for the year end dated December 31, 2019 and the accompanying report of the auditors;

2. to appoint auditors of the Corporation for the ensuing year and to authorize the directors of the Corporation to fix the auditors' remuneration, as more fully described in the management information circular (the "**Management Information Circular**") accompanying this notice of Meeting;

3. to elect the directors of the Corporation to serve until the close of the next annual meeting of shareholders of the Corporation or until their successors are elected or appointed;

4. to consider, and, if deemed appropriate, to pass, with or without variation, an ordinary resolution approving an amended and restated stock option plan for the Corporation in the form attached as Schedule "C" to this Management Information Circular;

5. to consider, and, if deemed appropriate, to pass, with or without variation, an ordinary resolution approving a new restricted share unit plan for the Corporation in the form attached as Schedule "D" to this Management Information Circular; and

6. to transact such other business as may be properly brought before the Meeting or any postponement or adjournment thereof.

Information relating to the items above is set forth in the Management Information Circular.

Only shareholders of record as of July 16, 2020, the record date, are entitled to notice of the Meeting and to vote at the meeting and at any adjournment or postponement thereof.

IMPORTANT

With respect to the current COVID-19 outbreak, REAL asks that, in considering whether to attend the meeting in person, shareholders follow the instructions of the Public Health Agency of Canada (https://www.canada.ca/en/public-health/services/diseases/2019-novel- coronavirus-infection.html).

REAL strongly encourages shareholders not to attend the meeting in person and instead to vote their shares by proxy. Any person who is experiencing any of the described COVID- 19 symptoms of fever, cough or difficulty breathing or has travelled in the 14 days prior to the Meeting will not be permitted entry into the meeting. REAL may take additional precautionary measures in relation to the meeting in response to further developments in the COVID-19 outbreak in its sole discretion.

SHAREHOLDERS MAY CONFERENCE INTO THE MEETING BY ZOOM (BUT WILL NOT BE PERMITTED TO VOTE OVER ZOOM IN THIS MANNER) AT:

Join from a PC, Mac, iPad, iPhone or Android device:

https://us02web.zoom.us/j/84743958925

Meeting ID: 847 4395 8925

Or join by phone by calling one of the below numbers and entering the meeting ID (for higher quality, dial a number based on your current location):

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7920, +1 778 907 2071

United States: +1 646 876 9923, +1 312 626 6799, +1 646 876 9923, +1 312 626 6799, +1 301

715 8592, +1 669 900 6833, +1 253 215 8782, +1 346 248 7799, +1 408 638 0968

Additional international numbers are available at https://us02web.zoom.us/u/kB40yxPF

DISCLAIMER

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Despite the foregoing, it is desirable that as many common shares as possible be represented at the Meeting. If you do not expect to attend in person and would like your common shares represented, please complete the enclosed instrument of proxy and return it as soon as possible in the envelope provided for that purpose. To be valid, all instruments of proxy must be deposited at the office of the Registrar and Transfer Agent of the Corporation, Computershare Investor Services Inc., at its principal office at 100 University Ave, Toronto, Ontario M5J 2Y1 not later than forty-eight (48) hours, excluding Saturdays, Sundays and holidays, prior to the time of the Meeting or any postponement or adjournment thereof. Late instruments of proxy may be accepted or rejected by the Chairman of the Meeting in his discretion and the Chairman is under no obligation to accept or reject any particular late instruments of proxy.

DATED at Toronto, Ontario this 16th day of July, 2020.

By Order of the Board of Directors of The Real Brokerage Inc.

(signed) "*Tamir Poleg*"
Tamir Poleg
Chief Executive Officer

THE REAL BROKERAGE INC.

MANAGEMENT INFORMATION CIRCULAR

SOLICITATION OF PROXIES

This management information circular (this "**Management Information Circular**") is provided in connection with the solicitation of proxies by management of The Real Brokerage Inc. ("**Real**" or the "**Corporation**") for use at the Annual General and Special Meeting (the "**Meeting**") of the holders ("**Shareholders**") of common shares ("**Common Shares**") in the capital of the Corporation. The Meeting will be held on Thursday, August 20, 2020 at 10:00 a.m. at 133 Richmond Street West, Suite 302, Toronto, Ontario, or at such other time or place to which the Meeting may be adjourned, for the purposes set forth in the notice of annual general and special meeting accompanying this Management Information Circular (the "**Notice**"). Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally or by telephone, facsimile or other means of electronic communication. In accordance with National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer*, arrangements have been made with brokerage houses and other intermediaries, clearing agencies, custodians, nominees and fiduciaries to forward solicitation materials to the beneficial owners of the Common Shares held of record by such persons and the Corporation may reimburse such persons for reasonable fees and disbursements incurred by them in doing so. The costs thereof will be borne by the Corporation.

These securityholder materials are being sent to both registered and non-registered owners of the securities. If you are a non-registered owner, and the issuer or its agent has sent these materials directly to you, your name and address and information about your holdings or securities, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf.

Accompanying this Management Information Circular (and filed with applicable securities regulatory authorities) is a form of proxy for use at the Meeting ("**Instrument of Proxy**"). Each Shareholder who is entitled to attend at Shareholders' meetings is encouraged to participate in the Meeting and Shareholders are urged to vote on matters to be considered in person or by proxy.

Unless otherwise stated, the information contained in this Management Information Circular is given as of July 16, 2020 (the "**Effective Date**").

All time references in this Management Information Circular are in Eastern Daylight Time (Toronto time).

APPOINTMENT AND REVOCATION OF PROXIES

Appointment of a Proxy

Those Shareholders who wish to be represented at the Meeting by proxy must complete and deliver a proper form of proxy to Computershare Investor Services Inc. (the "Transfer Agent") either in person, or by mail or courier, to 100 University Ave., Toronto, Ontario, M5J 2Y1.

The persons named as proxyholders in the Instrument of Proxy accompanying this Management Information Circular are directors or officers of the Corporation and are representatives of the Corporation's management for the Meeting. A Shareholder who wishes to appoint some other person (who need not be a Shareholder) as his or her representative at the Meeting may do so by either: (i) crossing out the names of the management nominees AND legibly printing the other person's name in the blank space provided in the accompanying Instrument of Proxy; or (ii) completing another valid form of proxy. In either case, the completed form of proxy must be delivered to the Transfer Agent, at the place and within the time specified herein for the deposit of proxies. A Shareholder who appoints a proxy who is someone other than the management representatives named in the Instrument of Proxy should notify the nominee of the appointment, obtain the nominee's consent to act as proxy, and provide instructions on how the Common Shares are to be voted. The nominee should bring personal identification to the Meeting. In any case, the form of proxy should be dated and executed by the Shareholder or an attorney authorized in writing, with proof of such authorization attached (where an attorney executed the proxy form).

In order to validly appoint a proxy, instruments of proxy must be received by the Transfer Agent (the address is stated above or in the Instrument of Proxy) at least 48 hours prior to the Meeting or any adjournment or postponement thereof. After such time, the chairman of the Meeting may accept or reject a form of proxy delivered to him in his discretion but is under no obligation to accept or reject any particular late form of proxy.

Revoking a Proxy

A Shareholder who has validly given a proxy may revoke it for any matter upon which a vote has not already been cast by the proxyholder appointed therein. In addition to revocation in any other manner permitted by law, a proxy may be revoked with an instrument in writing signed and delivered to either the registered office of the Corporation or the Transfer Agent, 100 University Ave, Toronto, Ontario M5J 2Y1, at any time up to and including the last business day preceding the date of the Meeting, or any postponement or adjournment thereof at which the proxy is to be used, or deposited with the chairman of such Meeting on the day of the Meeting, or any postponement or adjournment thereof. The document used to revoke a proxy must be in writing and completed and signed by the Shareholder or his or her attorney authorized in writing or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized.

Also, a Shareholder who has given a proxy may attend the Meeting in person (or where the Shareholder is a corporation, its authorized representative may attend), revoke the proxy (by indicating such intention to the chairman before the proxy is exercised) and vote in person (or withhold from voting).

Signature on Proxies

The form of proxy must be executed by the Shareholder or his or her duly appointed attorney authorized in writing or, if the Shareholder is a corporation, by a duly authorized officer whose title must be indicated. A form of proxy signed by a person acting as attorney or in some other representative capacity should indicate that person's capacity (following his signature) and should be accompanied by the appropriate instrument evidencing qualification and authority to act (unless such instrument has been previously filed with the Corporation).

Voting of Proxies

Each Shareholder may instruct his proxy how to vote his or her Common Shares by completing the blanks on the Instrument of Proxy.

The Common Shares represented by the enclosed proxy will be voted or withheld from voting on any motion, by ballot or otherwise, in accordance with any indicated instructions. In the absence of such direction, such Common Shares will be voted IN FAVOUR OF PASSING THE RESOLUTIONS DESCRIBED IN THE INSTRUMENT OF PROXY AND BELOW. If any amendment or variation to the matters identified in the Notice is proposed at the Meeting or any adjournment or postponement thereof, or if any other matters properly come before the Meeting or any adjournment or postponement thereof, the accompanying Instrument of Proxy confers discretionary authority to vote on such amendments or variations or such other matters according to the best judgment of the appointed proxyholder. Unless otherwise stated, the Common Shares represented by a valid Instrument of Proxy will be voted in favour of the election of nominees set forth in this Management Information Circular except where a vacancy among such nominees occurs prior to the Meeting, in which case, such Common Shares may be voted in favour of another nominee in the proxyholder's discretion. As at the Effective Date, management of the Corporation knows of no such amendments or variations or other matters to come before the Meeting.

Advice to Beneficial Shareholders

The information set forth in this section is of importance to many Shareholders, as a substantial number of Shareholders do not hold Common Shares in their own name. Shareholders who hold their Common Shares through their brokers, intermediaries, trustees or other persons, or who otherwise do not hold their Common Shares in their own name (referred to in this Management Information Circular as "**Beneficial Shareholders**") should note that only proxies deposited by Shareholders who are registered shareholders (that is, shareholders whose names appear on the records maintained by the registrar and transfer agent for the Common Shares as registered holders of Common Shares) will be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Beneficial Shareholder by a broker, those Common Shares will, in all likelihood, not be registered in the Shareholder's name. Such Common Shares will more likely be registered under the name of the Shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). Common Shares held by brokers (or their agents or nominees) on behalf of a broker's client can only be voted at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker's clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.**

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the Instrument of Proxy provided directly to registered shareholders by the Corporation. However, its purpose is limited to instructing the registered shareholder (i.e., the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The vast majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**BFS**") in Canada. BFS typically prepares a machine-readable voting instruction form, mails those forms to Beneficial Shareholders and asks Beneficial Shareholders to return the forms to BFS, or otherwise communicate voting instructions to BFS (by way of the Internet or telephone, for example). BFS then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. **A Beneficial Shareholder who receives a BFS voting instruction form cannot use that form to vote Common Shares directly at the Meeting. The voting instruction forms must be returned to BFS (or instructions respecting the voting of Common Shares must otherwise be communicated to BFS) well in advance of the Meeting in order to have the Common Shares voted. If you have any questions respecting the voting of Common Shares held through a broker or other intermediary, please contact that broker or other intermediary for assistance.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his broker, CDS & Co. or another intermediary, the Beneficial Shareholder may attend the Meeting as proxyholder and vote the Common Shares in that capacity. **Beneficial Shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxyholder, should enter their own names in the blank space on the Instrument of Proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker.**

All references to Shareholders in this Management Information Circular and the accompanying Instrument of Proxy and Notice are to registered Shareholders unless specifically stated otherwise.

VOTING SHARES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

Shareholders of record as of July 16, 2020 (the "**Record Date**") are entitled to receive notice and attend and vote at the Meeting. As at the Effective Date, the Corporation had 141,337,580 issued and outstanding Common Shares. These Common Shares are the only voting shares of the Corporation.

To the knowledge of the directors and officers of the Corporation, as at the Effective Date, no person or corporation beneficially owns, directly or indirectly, or exercises control or direction over, more than 10% of the issued and outstanding Common Shares except as stated below.

Name	Aggregate Number of Common Shares	Percentage of Outstanding Common Shares
Magma Venture Capital IV Management LP	24,498,927(1)	17.33%
Guy Gamzu	17,920,830(2)	12.68%

Notes:

(1) Comprised of 23,827,154 held by Magma Venture Capital IV LP and 671,773 Common Shares held by Magma Venture Capital IV CEO Fund LP, limited partnerships of which Magma Venture Capital IV Management LP is the general partner.

(2) Comprised of 16,660,455 Common Shares held by Cubit Investments Ltd., a company beneficially owned by Mr. Gamzu and 1,260,375 Common Shares held by Mr. Gamzu personally.

INDEBTEDNESS OF DIRECTORS AND OFFICERS

No directors or officers of the Corporation, nor any proposed nominee for election as a director of the Corporation, nor any associate or affiliate of any one of them, is or was indebted, directly or indirectly, to the Corporation or its subsidiaries at any time since the beginning of the financial period ended December 31, 2019.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No director or officer of the Corporation, nor any proposed nominee for election as a director of the Corporation, nor any other insider of the Corporation, nor any associate or affiliate of any one of them, has or has had, at any time since the beginning of the financial period ended December 31, 2019, any material interest, direct or indirect, in any transaction or proposed transaction that has materially affected or would materially affect the Corporation.

INTEREST OF DIRECTORS AND OFFICERS IN MATTERS TO BE ACTED UPON

Except as disclosed in this Management Information Circular, no director or senior officer of the Corporation, nor any proposed nominee for election as a director of the Corporation, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting.

EXECUTIVE COMPENSATION

Under applicable securities legislation, the Corporation is required to disclose certain financial and other information relating to the compensation of the Chief Executive Officer, the Chief Financial Officer and the most highly compensated executive officer of the Corporation as at the date of this Circular whose total compensation was more than $150,000 for the financial year of the Corporation ended December 31, 2019, other than the Chief Executive Officer and Chief Financial Officer (collectively the "**Named Executive Officers**"), and for the directors of the Corporation.

Summary Compensation Table

The following table (presented in accordance with Form 51-102F6V - *Statement of Executive Compensation - Venture Issuers* ("**Form 51-102F6V**") under National Instrument 51-102 - *Continuous Disclosure Obligations*) ("**NI 51-102**") sets out all direct and indirect compensation for, or in connection with, services provided to the Corporation and its subsidiaries for the two most recently completed financial years of the Corporation ended December 31, 2019 and December 31, 2018, in respect of the Named Executive Officers as well as the directors of the Corporation.

Table of compensation excluding compensation securities							
Name and position	**Year**	**Salary, consulting fee, retainer, or commission ($)**	**Bonus ($)**	**Committee or meeting fees ($)**	**Value of perquisites ($)**	**Value of all other compensation ($)**	**Total compensation ($)**
Laurence Rose *Past CEO, and Director*[1]	2019 2018	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Philip Porat *Past CFO*[2]	2019 2018	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Daniel Goodman *Past Director*[3]	2019 2018	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Alan Simpson *Past Director*[4]	2019 2018	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil

Notes:

(1) Laurence Rose served as CEO of the Corporation until completion of the Qualifying Transaction on June 5, 2020. Mr. Rose remained as a director of the Corporation after the Qualifying Transaction but did not receive any compensation as a director.

(2) Philip Porat served as CFO of the Corporation until completion of the Qualifying Transaction on June 5, 2020.

(3) Daniel Goodman was a director prior to the Qualifying Transaction completed on June 5, 2020.

(4) Alan Simpson was a director prior to the Qualifying Transaction completed on June 5, 2020.

Stock Options and Other Compensation Securities

There were no compensation securities granted or issued to any director by the Corporation during the financial year ended December 31, 2019 for services provided or to be provided, directly or indirectly, to the Corporation.

Stock Option Plans and Other Incentive Plans

The Stock Option Plan comprises the Corporation's only form of security-based incentive compensation plan.

Shareholders will be asked to pass an ordinary resolution to approve at the Meeting: (i) an amended and restated stock option plan for the Corporation in the form attached as Schedule "C" to this Management Information Circular; and (ii) a new restricted share unit plan for the Corporation in the form attached as Schedule "D" to this Management Information Circular. See "Matters to be Considered at the Meeting".

Employment, Consulting, and Management Agreements

The Corporation did not enter into any agreements with employees, consultants or directors with respect to management of the Corporation during the financial year ended December 31, 2019.

Compensation Discussion and Analysis

Introduction

The Compensation Discussion and Analysis section of this Circular sets out the objectives of the Corporation's executive compensation arrangements, the Corporation's executive compensation philosophy and the application of this philosophy to the Corporation's executive compensation arrangements.

When determining the compensation arrangements for the Named Executive Officers and directors, the Board considers the objectives of: (i) retaining an executive critical to the success of the Corporation and the enhancement of shareholder value; (ii) providing fair and competitive compensation; (iii) balancing the interests of management and shareholders of the Corporation; and (iv) rewarding performance, both on an individual basis and with respect to the business in general.

Benchmarking

In determining the compensation level for each executive, the Board looks at factors such as the relative complexity of the executive's role within the organization, the executive's performance and potential for future advancement, the compensation paid by other companies in the same industry as the Corporation, and pay equity considerations.

Elements of Compensation

The compensation paid to the Named Executive Officers and directors in any year consists of two (2) primary components:

1. base salary; and 2. long-term incentives in the form of Options granted under the Stock Option Plan.

The Corporation believes that making a significant portion of the Named Executive Officers' and directors' compensation based on long-term incentives supports the Corporation's executive compensation philosophy, as these forms of compensation allow those most accountable for the Corporation's long-term success to acquire and hold the Corporation's shares. The key features of these two primary components of compensation are discussed below:

1. Base Salary

Base salary recognizes the value of an individual to the Corporation based on his or her role, skill, performance, contributions, leadership and potential. It is critical in attracting and retaining executive talent in the markets in which the Corporation competes for talent. Base salaries for the Named Executive Officers and directors are reviewed annually. Any change in the base salary of a Named Executive Officer or a director is generally determined by an assessment of such executive's performance, a consideration of competitive compensation levels in companies similar to the Corporation and a review of the performance of the Corporation as a whole and the role such executive officer played in such corporate performance.

2. Stock Option Awards

The Corporation provides long-term incentives to the Named Executive Officers and directors in the form of Options as part of its overall executive compensation strategy. The Board believes that Option grants serve the Corporation's executive compensation philosophy in several ways: they help attract, retain, and motivate talent; they align the interests of the Named Executive Officers and directors with those of the shareholders by linking a specific portion of the officer's total pay opportunity to share price; and they provide long-term accountability for Named Executive Officers and directors. The Corporation does not have any policies which permit or prohibit a Named Executive Officer or director to purchase financial instruments.

Shareholders will be asked to pass an ordinary resolution to approve amendments to the Stock Option Plan as well as a new restricted share unit plan at the Meeting. See "Matters to be Considered at the Meeting".

Pension Disclosure

There are no pension plan benefits in place for the Named Executive Officers or the directors of the Corporation.

Securities Authorized for Issuance under Equity Compensation Plans

No option-based or share-based awards were granted, vested or earned during the year ended December 31, 2019.

The following table sets forth the securities of the Corporation that are authorized for issuance under the equity compensation plans as at December 31, 2019.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans
Equity compensation plans approved by securityholders	900,000	$0.10	10,000**(1)**
Equity compensation plans not approved by securityholders	Nil	N/A	Nil
Total	900,000	$0.10	10,000**(1)**

Notes:

(1) This figure is based on the total number of shares authorized under the Stock Option Plan, less the number of stock options outstanding as at the Corporation's year ended December 31, 2019.

AUDIT COMMITTEE

Under National Instrument 52-110 - *Audit Committees* ("**NI 52-110**"), the Corporation is required to include in this Management Information Circular the disclosure required under Form 52-110F2 with respect to the audit committee (the "**Audit Committee**") of the Board, including the composition of the Audit Committee, the text of the Audit Committee charter (attached hereto as Schedule "A"), and the fees paid to the external auditor. The Corporation is relying on the exemption provided in Section 6.1 of NI 52-110 as the Corporation is a "venture issuer". As a result, the Corporation is exempt from the requirements of Part 3 (Composition of Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

Composition of the Audit Committee

The following are the current members of the Audit Committee:

Name	Independence(1)	Financial Literacy
Larry Klane	Independent	Financially Literate
Guy Gamzu	Independent	Financially Literate
Laurence Rose	Non-Independent	Financially Literate

Notes:

(1) The Corporation is a "venture issuer" for the purposes of NI 52-110. As such, the Corporation is exempt from the requirement to have the Audit Committee comprised entirely of independent members.

A majority of the members of the audit committee of the Corporation are not executive officers, employees or control persons of the Corporation or any of its affiliates.

Relevant Education and Experience

Larry Klane, Age 60 - Director

Larry Klane is an independent director, co-founder of an investment firm and prior CEO and business leader of an array of wholesale and retail financial services businesses globally. In addition to his executive experience, Mr. Klane has served on nine corporate boards-four public boards (two in the United States and two in Asia) and five private boards (two in the United States, two in Europe and one in Canada). Mr. Klane currently serves on the boards of Goldman Sachs Bank USA and Navient Corporation (Nasdaq: NAVI). Previously, Mr. Klane served as Chairman of the Board and CEO of Korea Exchange Bank and as a Director of Aozora Bank, publicly traded banks in Korea and Japan respectively. Prior to leading Korea Exchange Bank, Mr. Klane served as President of the Global Financial Services division of Capital One Financial Corporation. Mr. Klane joined Capital One in 2000 to help lead the company's transformation to a diversified financial services business. His responsibilities during his tenure included a broad range of consumer and business finance activities in the United States, Europe and Canada. He oversaw all merger and acquisition activities. Prior to Capital One, Mr. Klane was a Managing Director at Deutsche Bank and ran the Corporate Trust and Agency Services business acquired from Bankers Trust. Earlier in his career, Larry spent a decade in a variety of US and overseas consulting and strategy roles. Mr. Klane qualifies as a Qualified Financial Expert under SEC guidelines. In January 2014, Larry co-founded Pivot Investment Partners, a private investment firm focused on investing in a select set of high potential financial technology companies. Mr. Klane received his MBA from the Stanford Graduate School of Business and earned his undergraduate degree from Harvard College. In 2007, Mr. Klane was nominated by the President of the United States to sit on the Federal Reserve Board of Governors.

Guy Gamzu, Age 54 - Director

Guy Gamzu founded and has served as the Chairman of Cubit Investments Ltd., a privately owned investment company specializing in early stage venture finance since 1998 and serves as a director and chairman of a number of private technology companies.

Laurence Rose, Age 51 - Director

Laurence Rose serves as Chairman of Omega ATS Inc. and is President of private investment firm Matchpoint Financial Corp. Mr. Rose spent over eleven years at global investment bank Cantor Fitzgerald where his responsibilities included executive oversight of a number of business units, joint ventures, and investments. He served as Chairman, President and Chief Executive Officer of Cantor Fitzgerald Canada Corporation and Senior Managing Director of Cantor Fitzgerald & Co. Prior to joining Cantor Fitzgerald, Mr. Rose was founder and CEO of CollectiveBid Systems Inc. and its wholly-owned investment dealer subsidiary, CBID Markets Inc., which launched Canada's first Alternative Trading System (ATS). With over twenty-five years' experience in the capital markets and technology sectors, his professional experience also includes positions with RBC Dominion Securities Inc., Dow Jones Markets Inc. and Bridge Information Systems. Mr. Rose serves on a number of Boards of both corporate and non-profit organizations.

Audit Committee Oversight

At no time since the commencement of the Corporation's most recently completed financial period was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

Reliance on Certain Exemptions

At no time since the commencement of the Corporation's most recently completed financial period has the Corporation relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis Non-audit Services*), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

Audit Committee Charter

The Audit Committee has adopted specific policies and procedures for the engagement of non- audit services as described in Schedule "A" attached hereto.

External Auditor Service Fees (By Category)

The aggregate fees billed by the Corporation's external auditors for the financial year ended December 31, 2019 are approximately as follows:

Financial Period Ending	Audit Fees(1)	Audit Related Fees(2)	Tax Fees(3)	All Other Fees
December 31, 2019	$8,503	Nil	Nil	Nil
December 31, 2018	$8,500	Nil	Nil	Nil

Notes:

(1) "Audit Fees" includes fees for the performance of the annual audit and for accounting consultations on matters reflected in the financial statements.

(2) "Audit Related Fees" includes fees for assurance and related services, related to the performance of the review of the financial statements including "earn-in" audit work that are not reported under Audit Fees.

(3) "Tax Fees" includes the fees paid for tax compliance, tax planning and tax advice.

The Corporation is relying on the exemption provided in Section 6.1 of NI 52-110 as the Corporation is a "venture issuer".

CORPORATE GOVERNANCE

National Policy 58-201 - *Corporate Governance Guidelines* establishes corporate governance guidelines which apply to all public companies. The Corporation has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Corporation's practices comply with the guidelines; however, the Board considers that some of the guidelines are not suitable for the Corporation at its current stage of development and therefore these guidelines have not been adopted. National Instrument 58-101 - *Disclosure of Corporate Governance Practices* mandates disclosure of corporate governance practices, which disclosure is set out below.

(a) *Independence of Members of Board*

There are four directors on the Board, of which Larry Klane and Guy Gamzu are independent directors based upon the tests for independence set forth in National Instrument 52-110 - *Audit Committees* ("**NI 52-110**"). Tamir Poleg is not independent as he is a member of management of the Corporation. Laurence Rose is not independent because he was the former Chief Executive Officer and Chief Financial Officer of the Corporation prior to completion of the Qualifying Transaction.

(b) *Management Supervision by Board*

The Board has determined that the current constitution of the Board is appropriate for the Corporation's current stage of development. Independent supervision of management is accomplished through choosing management who demonstrate a high level of integrity and ability and having strong independent Board members.

(c) *Participation of Directors in Other Reporting Issuers*

The following directors of the Corporation presently hold directorships in other reporting issuers as set out below:

Name	Name of Reporting Issuer	Exchange	Position	From	To
Guy Gamzu	MediaMind Inc.	NASDAQ	Director	August 2010	March 2011
Larry Klane	Navient Corporation	NASDAQ	Director	May 2019	Present
	Verifone Systems	NYSE	Director	December 2017	August 2018

(d) *Orientation and Continuing Education*

While the Corporation does not have formal orientation and training programs, new Board members are provided with:

(a) information respecting the functioning of the Board, committees and copies of the Corporation's corporate governance policies;

(b) access to recent, publicly filed documents of the Corporation; and

(c) access to management.

Board members are encouraged to communicate with management, auditors and technical consultants; to keep themselves current with industry trends and developments and changes in legislation with management's assistance; and to attend related industry seminars. Board members have full access to the Corporation's records.

(e) Ethical Business Conduct

The Board views good corporate governance and ethical business conduct as an integral component to the success of the Corporation and to meet responsibilities to its shareholders. The Corporation has not yet adopted a Code of Conduct or taken formal steps to encourage or promote a culture of ethical business conduct.

(f) Nomination of Directors

The Board has responsibility for identifying potential Board candidates. The Board assesses potential Board candidates to fill perceived needs on the Board for required skills, expertise, independence and other factors.

(g) Compensation of Directors and the CEO and CFO

The Compensation Committee has the responsibility for determining compensation for the directors and senior management.

To determine compensation payable, the Compensation Committee reviews compensation paid to directors, CEOs and CFOs of companies of similar size and stage of development and determine an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the directors and senior management while taking into account the financial and other resources of the Corporation. In setting the compensation, the Compensation Committee annually reviews the performance of the CEO and CFO in light of the Corporation's objectives and considers other factors that may have impacted the success of the Corporation in achieving its objectives.

(h) Board Committees

In addition to its Audit Committee, the Board has a Compensation Committee and Corporate Governance Committee. Larry Klane, Guy Gamzu and Laurence Rose serve on these committees.

(i) Corporate Governance Committee

The primary responsibilities of the Corporate Governance Committee are to serve as a nominating committee for directors and officers, recommend committee structures, review director independence and compensation and assist the Board in reviewing the performance of the Board and the Chief Executive Officer.

(j) Assessments

The Corporate Governance Committee annually, and at such other times as it deems appropriate, reviews the performance and effectiveness of the Board, the directors and its committees to determine whether changes in size, personnel or responsibilities are warranted. To assist in its review, the Board conducts informal surveys of its directors, and reports from the Audit Committee respecting its own effectiveness. As part of the assessments, the Board or the committee may review their respective mandate or charter and conduct reviews of applicable corporate policies.

MATTERS TO BE CONSIDERED AT THE MEETING

To the knowledge of the Board, the only matters to be brought before the Meeting are set forth in the accompanying Notice of Meeting. These matters are described in more detail under the headings below.

1) Financial Statements

The audited financial statements of the Corporation for the year ended December 31, 2019 and the auditor's report thereon will be received at the Meeting. The audited financial statements of the Corporation and the auditor's report were delivered to each shareholder which has formally requested a copy thereof as required pursuant to applicable laws and are available on SEDAR at www.sedar.com.

2) Appointment of Auditors

On June 8, 2020, Smythe LLP ("**Smythe**"), the former auditors of the Corporation, resigned at the request of the Board of Directors. The Board of Directors appointed Brightman Almagor Zohar & Co. (a firm in the Deloitte Global Network) ("**Brightman**") as auditors of the Corporation effective June 8, 2020, to fill the vacancy created thereby. In accordance with the provisions of NI 51-102, copies of the Corporation's Notice of Change of Auditor and each of the letters provided by both Smythe and Brightman in response (collectively, the "**Reporting Package**", which was filed on SEDAR) are attached hereto as Schedule "B". The Reporting Package has been reviewed and approved by the Board of Directors of the Corporation. The audit report of Smythe on the financial statements for the financial year ended December 31, 2019 and the financial period ended December 31, 2018 did not contain any reservation.

At the Meeting, shareholders will be asked to pass an ordinary resolution appointing Brightman as auditors of the Corporation, to hold office until the close of the next annual meeting of shareholders, at such remuneration as may be fixed by the directors of the Corporation.

It is the intention of the persons named in the enclosed Proxy, if not expressly directed to the contrary in such Proxy, to vote such proxies **FOR** the appointment of Brightman Almagor Zohar & Co., (a firm in the Deloitte Global Network) as auditors of the Corporation, to hold office until the close of the next annual meeting of shareholders, at such remuneration as may be fixed by the directors of the Corporation.

3) Election of Directors

The Board of Directors has fixed the number of directors to be elected at the Meeting at four (4). Under the by-laws of the Corporation, directors of the Corporation are elected annually. Each director will hold office until the next annual meeting or until the successor of such director is duly elected or appointed, unless such office is earlier vacated in accordance with the by-laws.

In the absence of a contrary instruction, the person(s) designated by management of the Corporation in the enclosed form of proxy intend to vote FOR the election as directors of the proposed nominees whose names are set forth below, each of whom has been a director since the date indicated below opposite the proposed nominee's name. Management does not contemplate that any of the proposed nominees will be unable to serve as a director, but if that should occur for any reason prior to the Meeting, the Common Shares represented by properly executed proxies given in favour of such nominee(s) may be voted by the person(s) designated by management of the Corporation in the enclosed form of proxy, in their discretion, in favour of another nominee.

The following table sets forth the name of each of the persons proposed to be nominated for election as a director of the Corporation, all positions and offices in the Corporation presently held by such nominees, the nominees' municipality and country of residence, principal occupation at the present time, the period during which the nominees have served as directors, and the number and percentage of Common Shares currently beneficially owned by the nominees, directly or indirectly, or over which control or direction is exercised.

Name and Place of Residence	Principal Occupation for Past Five (5) Years	Became Director	Number and Percentage of Common Shares Beneficially Owned or Controlled(1)
Tamir Poleg Tel Aviv, Israel	Chief Executive Officer, Real Technology Broker Ltd.	June 5, 2020	9,578,850 (6.78%)
Guy Gamzu(2) Tel Aviv, Israel	Investor	June 5, 2020	17,920,830 (12.68%)(3)
Larry Klane(2) Westport, Connecticut	Partner, Pivot Investment Partners	June 5, 2020	4,575,164 (3.24%)(4)
Laurence Rose(2) Toronto, Ontario	Chairman, Omega ATS Inc.	February 28, 2018	2,718,542(5) (1.92%)

Notes:

(1) Based on 141,337,580 Common Shares issued and outstanding as at the date hereof.

(2) Member of the Audit Committee.

(3) Comprised of 16,660,455 Common Shares held by Cubit Investments Ltd., a company beneficially owned by Mr. Gamzu and 1,260,375 Common Shares held by Mr. Gamzu personally.

(4) Held by Poom Holdings LLC, a company beneficially owned by Mr. Klane.

(5) Held by Matchpoint Capital Inc., a company beneficially owned by Mr. Rose.

Biographical information regarding the proposed directors is set out below.

Tamir Poleg, Age 44 - Chairman, Chief Executive Officer and Director

Tamir Poleg is the Co-Founder and CEO of Real Technology Broker Ltd. ("**Real Technology**") since it was founded in 2014. Prior to founding Real Technology, Mr. Poleg founded and served as the Chief Executive Officer of Optimum RE Investments - a real estate company focused on multi-family investments and operations. Prior to shifting to real estate, Mr. Poleg served in executive sales and business development positions with several technology companies, focusing on wireless infrastructure development and deployment across multiple continents. With over 15 years of real estate experience, including serving as a construction manager, and 9 years of technology company experience, Mr. Poleg is considered an expert in real estate technology and a member of Forbes Real Estate Council. Mr. Poleg holds a bachelor's degree in economics and several real estate related accreditations. Mr. Poleg is the sole director and officer of each of Real's subsidiaries.

Larry Klane, Age 60 - Director

Larry Klane is an independent director, co-founder of an investment firm and prior CEO and business leader of an array of wholesale and retail financial services businesses globally. In addition to his executive experience, Mr. Klane has served on nine corporate boards-four public boards (two in the United States and two in Asia) and five private boards (two in the United States, two in Europe and one in Canada). Mr. Klane currently serves on the boards of Goldman Sachs Bank USA and Navient Corporation (Nasdaq: NAVI). Previously, Mr. Klane served as Chairman of the Board and CEO of Korea Exchange Bank and as a Director of Aozora Bank, publicly traded banks in Korea and Japan respectively. Prior to leading Korea Exchange Bank, Mr. Klane served as President of the Global Financial Services division of Capital One Financial Corporation. Mr. Klane joined Capital One in 2000 to help lead the company's transformation to a diversified financial services business. His responsibilities during his tenure included a broad range of consumer and business finance activities in the United States, Europe and Canada. He oversaw all merger and acquisition activities. Prior to Capital One, Mr. Klane was a Managing Director at Deutsche Bank and ran the Corporate Trust and Agency Services business acquired from Bankers Trust. Earlier in his career, Larry spent a decade in a variety of US and overseas consulting and strategy roles. Mr. Klane qualifies as a Qualified Financial Expert under SEC guidelines. In January 2014, Larry co-founded Pivot Investment Partners, a private investment firm focused on investing in a select set of high potential financial technology companies. Mr. Klane received his MBA from the Stanford Graduate School of Business and earned his undergraduate degree from Harvard College. In 2007, Mr. Klane was nominated by the President of the United States to sit on the Federal Reserve Board of Governors.

Guy Gamzu, Age 54 - Director

Guy Gamzu founded and has served as the Chairman of Cubit Investments Ltd., a privately owned investment company specializing in early stage venture finance since 1998 and serves as a director and chairman of a number of private technology companies.

Laurence Rose, Age 51 - Director

Laurence Rose serves as Chairman of Omega ATS Inc. and is President of private investment firm Matchpoint Financial Corp. Mr. Rose spent over eleven years at global investment bank Cantor Fitzgerald where his responsibilities included executive oversight of a number of business units, joint ventures, and investments. He served as Chairman, President and Chief Executive Officer of Cantor Fitzgerald Canada Corporation and Senior Managing Director of Cantor Fitzgerald & Co. Prior to joining Cantor Fitzgerald, Mr. Rose was founder and CEO of CollectiveBid Systems Inc. and its wholly-owned investment dealer subsidiary, CBID Markets Inc., which launched Canada's first Alternative Trading System (ATS). With over twenty-five years' experience in the capital markets and technology sectors, his professional experience also includes positions with RBC Dominion Securities Inc., Dow Jones Markets Inc. and Bridge Information Systems. Mr. Rose serves on a number of Boards of both corporate and non-profit organizations.

Corporate Cease Trade Orders or Bankruptcies

No person proposed to be nominated for election as a director at the Meeting is or has been, within the preceding ten years, a director, chief executive officer or chief financial officer of any company (including the Corporation) that:

(a) was the subject of a cease trade or similar order, or an order that denied such company access to any exemptions under applicable securities legislation that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer, or

(b) was the subject of a cease trade or similar order, or an order that denied such company access to any exemptions under applicable securities legislation that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

No person proposed to be nominated for election as a director at the Meeting is or has been, within the preceding ten years, a director or executive officer of any company (including the Corporation) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

No person proposed to be nominated for election as a director at the Meeting is or has, within the preceding ten years, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or has become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such person.

4) Approval of the Stock Option Plan Amendments

The existing Stock Option Plan (the "**Existing Stock Option Plan**") is a "rolling" stock option plan under the policies of the TSXV, as under the Existing Stock Option Plan the Corporation is authorized to grant Options of up to 10% of its issued and outstanding Common Shares at the time of the stock option grant, from time to time. The purpose of the Existing Stock Option Plan is to advance the interests of the Corporation by encouraging the directors, officers, employees and consultants of the Corporation to acquire Common Shares, thereby increasing their proprietary interest in the Corporation and furnishing them with additional incentive in their efforts on behalf of the Corporation in the conduct of its business and affairs.

Under the terms of the Existing Stock Option Plan, a maximum of 14,133,758 Common Shares (representing approximately 10% of the currently outstanding Common Shares of the Corporation) are reserved for issuance. The Board and management is of the view that the Existing Stock Option Plan does not have enough Common Shares reserved for option grants to meet the Corporation's future needs in the short term. Accordingly, management believes that it is appropriate to amend the Existing Stock Option Plan from a "rolling" 10% plan to a "fixed" 20% plan. Under a fixed 20% plan, the maximum number of Common Shares issuable would be 28,267,516 Common Shares, which will represent approximately 20% of the Corporation's current issued and outstanding Common Shares.

In making the decision to seek Shareholder approval of the amendment to the Existing Stock Option Plan, management noted that the utilization of Options has been and will continue to be an important factor in attracting and keeping superior quality personnel. Management believes that, at this stage of the Corporation's growth and development, it is imperative that the Corporation have sufficient flexibility in its incentive arrangements to permit it to compete with other entities in its industry which utilize share incentive options in hiring and retaining key personnel.

In light of the above, Shareholders are being requested to pass an ordinary resolution, the text of which is set forth below, approving an amended and restated stock option plan to change the Existing Stock Option Plan from a "rolling" 10% stock option plan to a "fixed" 20% stock option plan together with certain other amendments (the "**Amended and Restated Stock Option Plan**"). Under the Amended and Restated Stock Option Plan, as Options are granted, the number of Options available for future grants is reduced by an amount equal to the number of Options granted.

The following is a summary of the principal terms of the Amended and Restated Stock Option Plan and is qualified in its entirety by the full text of the Amended and Restated Stock Option Plan which is set out in Schedule "C" to this Management Information Circular. The Amended and Restated Stock Option Plan is administered by the Board, which has full and final authority with respect to the granting of all options thereunder subject to the requirements of the TSXV. Options may be granted under the Amended and Restated Stock Option Plan to such directors, officers, employees or consultants of the Corporation and its affiliates, if any, as the Board may from time to time designate. Under the policies of the TSXV, options granted under such a fixed plan are not required to have a vesting period, although the directors may continue to grant options with vesting periods, as the circumstances require. The Amended and Restated Stock Option Plan authorizes the Board to grant Options to the optionees (the "**Optionee**") on the following terms (capitalized terms not defined herein have the meaning ascribed to them in the Existing Stock Option Plan):

- If Options expire or otherwise terminate for any reason without having been exercised, the number of Common Shares in respect of the expired or terminated Options will again be available for the purposes of the Amended and Restated Stock Option Plan.

- The Amended and Restated Stock Option Plan may be terminated by the Board at any time, but such termination will not alter the terms or conditions of any options awarded prior to the date of such termination. Any Options outstanding when the Amended and Restated Stock Option Plan is terminated will remain in effect until they are exercised or expire or are otherwise terminated in accordance with the provisions of the Amended and Restated Stock Option Plan.

- The Amended and Restated Stock Option Plan provides that it is solely within the discretion of the Board to determine who should receive Options and in what amounts. The Board may issue a majority of the options to insiders of the Corporation. However, in no case will the issuance of common shares upon the exercise of Options granted under the Amended and Restated Stock Option Plan result in:

  i. The total number of Options awarded to any one individual in any twelve month period shall not exceed 5% of the issued and outstanding Shares of the Corporation at the Award Date (unless the Corporation has obtained disinterested shareholder approval);

  ii. The total number of Options awarded to any one Consultant for the Corporation shall not exceed 2% of the issued and outstanding Shares of the Corporation at the Award Date without consent being obtained from the Exchange; and

  iii. The total number of Options awarded to all persons employed by the Corporation who perform Investor Relations Activities for the Corporation shall not exceed 2% of the issued and outstanding Shares of the Corporation, in any twelve month period, calculated at the Award Date without consent being obtained from the Exchange.

Options granted under the Amended Stock Option Plan will be for a term so fixed by the Board at the time the Option is awarded, provided that such date shall not exceed ten (10) years from the date of its grant (which is a change from a five (5) year term under the Existing Stock Option Plan). Unless the Corporation otherwise decides, in the event an Option Holder ceases to be a consultant or employee of the Corporation (other than by reason of death), vested options will expire on the 90th day following the date the holder ceases to be an Employee (or on the 30th day in the case of an Optionee who is engaged in investor relations activities). In the case that the Option Holder ceases to be such as a result of termination for cause, the Expiry Date shall be the date the Option Holder ceases to be an Employee of the Corporation.

The Exercise Price shall be that price per Share, as determined by the Board in its sole discretion, and announced as of the Award Date, at which an Option Holder may purchase a Share upon the exercise of an Option, provided that it shall not be less than the closing price of the Corporation's Shares traded through the facilities of the Exchange (or, if the Shares are no longer listed for trading on the Exchange, then such other exchange or quotation system on which the Shares are listed or quoted for trading) on the day preceding the Award Date, less any discount permitted by the Exchange, or such other price as may be required or permitted by the Exchange.

In no case will a stock option be exercisable at a price less than the minimum prescribed by each of the organized trading facilities or the applicable regulatory authorities that would apply to the award of the stock option in question.

Options may not be assigned or transferred, and all Option Certificates will be so legended, provided however that the Personal Representatives of an Option Holder may exercise the Option within the Exercise Period. Common shares will not be issued pursuant to Options granted under the Amended and Restated Stock Option Plan until they have been fully paid for.

Upon a Change of Control (as that term is defined in the Amended and Restated Stock Option Plan), the Board may require that an Option granted under the Plan may be exercised (whether or not such Option as vested) by the Optionee at any time up to an including the expiry time of the Option and the Board may require the acceleration of the time for exercise of the Option. Notwithstanding the foregoing, no acceleration of the vesting of Options held by Optionees performing Investor Relations Activities shall occur without the prior written consent of the Exchange.

In order to be effective, the Stock Option Plan Resolution requires the approval of not less than 50% of the votes cast by the disinterested Shareholders represented at the Meeting in person or by proxy. To the knowledge of the Corporation, a total of 38,188,099 Common Shares (being approximately 27.02% of the issued and outstanding Common Shares) are held by Shareholders who are considered insiders and to whom Stock Options may be granted, and the associates thereof, and will be excluded from voting on the Stock Option Plan Resolution.

If the Stock Option Plan Resolution is approved, the Board retains the power to revoke it at all times without any further approval by the Shareholders. The Board will only exercise such power in the event that it is, in its opinion, in the best interest of the Corporation. If the Stock Option Plan Resolution is not approved then the Existing Stock Option Plan will remain in force.

At the Meeting, shareholders will be asked to pass an ordinary resolution approving the amendments to the Stock Option Plan (the "**Stock Option Plan Resolution**") in the following form:

"**BE IT HEREBY RESOLVED** as an ordinary resolution that

(1) subject to the approval of the TSX Venture Exchange, the Amended and Restated Stock Option Plan including the amendment from a 10% "rolling" plan to a 20% "fixed" plan, under which the maximum number of common shares of the Corporation ("**Common Shares**") reserved for issuance will be increased from 14,133,758 to 28,267,516 Common Shares, all of which such amendments are set out in an amended and restated stock option plan set out in Schedule "C" to this Management Information Circular is hereby approved;

(2) any director or officer of the Corporation be, and such director or officer of the Corporation hereby is, authorized, instructed and empowered, acting for, in the name of and on behalf of the Corporation, to execute and deliver or cause to be executed and delivered all such documents and instruments, and to do or to cause to be done all such other acts and things as in the opinion of such director or officer of the Corporation may be necessary or desirable in order to fulfill the intent of this resolution; and

(3) the board of directors of the Corporation, in its sole and complete discretion, may act upon this resolution to effect the adoption of the amended and restated Stock Option Plan, or if deemed appropriate and without any further approval from the shareholders of the Corporation, may choose not to act upon this resolution notwithstanding shareholder approval of the amended and restated Stock Option Plan and are authorized to revoke this resolution in their sole discretion."

(the "**Stock Option Plan Resolution**")

The Board has unanimously approved the amendments to the Stock Option Plan and recommends that shareholders vote FOR the Stock Option Plan Resolution.

In order to be effective, the Stock Option Plan Resolution must be approved by at least a majority of the votes cast by shareholders who vote in respect of the Stock Option Plan Resolution.

Unless the shareholder has specified in the enclosed Proxy that the common shares represented by such Proxy are to be voted against the Stock Option Plan Resolution, the persons named in the enclosed Proxy will vote FOR the Stock Option Plan Resolution.

5) Approval of RSU Plan

The Stock Option Plan of the Corporation requires that the addition of a deferred or restricted share unit or any other provision which results in participants under the Stock Option Plan receiving securities while no cash consideration is received by the Corporation requires the approval of the Board of Directors, the TSX Venture Exchange ("**TSXV**") and the shareholders of the Corporation.

At the Meeting, shareholders of the Corporation will be asked to consider and, if thought appropriate, pass an ordinary resolution in the form set out below, approving a new restricted share unit plan for the Corporation (the "**RSU Plan**").

A summary of the material terms of the RSU Plan is set forth below. The summary information is qualified in its entirety by the full text of the RSU Plan, a copy of which is attached as Schedule "D" to this Management Information Circular.

- **Eligible Persons.** The Board of Directors or a committee delegated by the Board of Directors under the RSU Plan (the "**Committee**") may grant RSUs to directors, officers, employees or consultants of the Corporation or a subsidiary of the Corporation (the "**Participants**"), other than persons performing Investor Relations Activities, provided that the Board, together with such individuals or companies, are responsible for ensuring and confirming that such person is a bona fide Participant.

- **Fixed Plan.** The RSU Plan is a fixed plan, such that the aggregate number of common shares that may be issued pursuant to the Plan shall not exceed 28,267,516 common shares, less the number of Shares issuable pursuant to all other security based compensation arrangements (including the Amended and Restated Stock Option Plan).

- **Vesting.** Each RSU will vest in such manner as determined by the Board of Directors or the Committee at the time of grant.

- **Settlement of RSU's.** On the Vesting Date, the Corporation at its sole and absolute discretion have the option of settling the RSUs in cash (if applicable), shares acquired by the Corporation on the TSXV or shares to be issued from the treasury of the Corporation.

- **Limitations.** The RSU Plan includes the following additional limitations: (i) the number of common shares reserved for issuance to any one Participant retained as a consultant to provide services to the Corporation or its subsidiaries under all security based compensation arrangements in any 12 month period shall not exceed 2% of the issued and outstanding common shares; (ii) the number of common shares reserved for issuance to any one Participant under all security based compensation arrangements in any 12 month period will not exceed 5% of the issued and outstanding common shares; (iii) unless the Corporation has received disinterested shareholder approval to do so, the number of common shares issuable to insiders, at any time, under all security based compensation arrangements, shall not exceed 10% of the issued and outstanding common shares; and (iv) unless the Corporation has received disinterested shareholder approval to do so the number of common shares issued to insiders, within any one year period, under all security based compensation arrangements, shall not exceed 10% of the issued and outstanding common shares.

- **Ceasing to be a director, officer, employee or consultant.** The RSU Plan provides that that if a Participant shall cease to be a director or officer of or be in the employ of, or a consultant or other Participant to, the Corporation or a subsidiary for any reason whatsoever including, without limitation, retirement, resignation or involuntary termination (with or without cause), as determined by the Board of Directors in its sole discretion, before all of the awards respecting RSUs credited to the Participant's account have vested or are forfeited pursuant to any other provision hereof, (i) such Participant shall cease to be a Participant as of the forfeiture date, (ii) the former Participant shall forfeit all unvested awards respecting RSUs credited to the Participant's account effective as at the forfeiture date, (iii) any award value corresponding to any vested RSUs remaining unpaid as of the forfeiture date shall be paid to the former Participant and (iv) the former Participant shall not be entitled to any further payment from the RSU Plan:

- **Change of control** In the event of a Change of Control (as defined in the RSU Plan), the Board or the Committee shall have absolute discretion to determine if all issued and outstanding RSUs shall vest (whether or not then vested) upon the Change of Control and the vesting date shall be the date which is immediately prior to the time such Change of Control takes place, or at such earlier time as may be established by the Board of Directors or the Committee, in its absolute discretion, prior to the time such Change of Control takes place.

- **Transferability.** Except as required by law, the rights of a Participant hereunder are not capable of being assigned, transferred, alienated, sold, encumbered, pledged, mortgaged or charged and are not capable of being subject to attachment or legal process for the payment of any debts or obligations of the Participant.

- **Amendments** The Board of Directors may amend the RSU Plan in any way, or discontinue the RSU Plan altogether, and may amend, in any way, any RSU granted under the RSU Plan at any time without the consent of a Participant, provided that such amendment shall not adversely alter or impair any RSU previously granted under the RSU Plan or any related RSU agreement, except as otherwise permitted under the RSU Plan. In addition, the Board of Directors may, by resolution, make any amendment to the RSU Plan or any RSU granted under it (together with any related RSU agreement) without shareholder approval, provided however, that the Board will not be entitled to amend the RSU Plan or any RSU granted under it without shareholder (disinterested shareholder approval if applicable) and, if applicable, TSXV approval, in order to: (i) increase the maximum number of shares issuable pursuant to the RSU Plan; (ii) cancel an RSU and subsequently issue to the holder of such RSU a new RSU in replacement thereof; (iii) extend the term of an RSU, but not beyond the Expiry Date; (iv) permit the assignment or transfer of an RSU other than as provided for in the RSU Plan; (v) add to the categories of persons eligible to participate in this Plan; or (vi) in any other circumstances where TSXV and shareholder approval is required by the TSXV. Any renewal of this plan will be subject to disinterested shareholder approval, and TSXV approval as applicable.

In order to be effective, the RSU Plan Resolution requires the approval of not less than 50% of the votes cast by the disinterested Shareholders represented at the Meeting in person or by proxy. To the knowledge of the Corporation, a total of 38,188,099 Common Shares (being approximately 27.02% of the issued and outstanding Common Shares) are held by Shareholders who are considered insiders and to whom RSUs may be granted, and the associates thereof, and will be excluded from voting on the RSU Plan Resolution.

At the Meeting, shareholders will be asked to pass an ordinary resolution approving the RSU Plan (the "**RSU Plan Resolution**") in the following form:

"**BE IT HEREBY RESOLVED** as an ordinary resolution that

(1) The Corporation's restricted share unit plan in the form attached as Schedule "D" of the Management Information Circular be approved;

(2) The Board of Directors be authorized on behalf of the Corporation to make any amendments to the form of restricted share unit plan presented hereunder as may be required by the regulatory authorities, without further approval of the shareholders of the Corporation, in order to ensure adoption of the restricted share unit plan; and

(3) Any director or officer of the Corporation is authorized and directed to do or to cause to be done all such other acts and things as in the opinion of such director or officer of the Corporation may be necessary or desirable in order to fulfill the intent of this resolution."

(the "**RSU Plan Resolution**")

The Board has unanimously approved the RSU Plan and recommends that shareholders vote FOR the RSU Plan Resolution.

In order to be effective, the RSU Plan Resolution must be approved by at least a majority of the votes cast by shareholders who vote in respect of the RSU Plan Resolution.

Unless the shareholder has specified in the enclosed Proxy that the common shares represented by such Proxy are to be voted against the RSU Plan Resolution, the persons named in the enclosed Proxy will vote FOR the RSU Plan Resolution.

ADDITIONAL INFORMATION

Additional information about the Corporation is located on SEDAR at www.sedar.com. Financial information is provided in the Corporation's financial statements and Management's Discussion and Analysis ("**MD&A**") for the financial year ended December 31, 2019, which were filed on SEDAR on February 18, 2020.

Under National Instrument 51-102 *Continuous Disclosure Obligations*, any person or company who wishes to receive interim financial statements from the Corporation may deliver a written request for such material to the Corporation or the Corporation's agent, together with a signed statement that the persons or company is the owner of securities of the Corporation. Shareholders who wish to receive interim financial statements are encouraged to send the enclosed mail card, together with the completed Proxy, in the addressed envelope provided, to the Corporation's registrar and transfer agent, Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1. The Corporation will maintain a supplemental mailing list of persons or companies wishing to receive interim financial statements.

Shareholders may contact the Corporation to request copies of the financial statements and MD&A by writing to the Corporation's CFO, Gus Patel, at the following address:

THE REAL BROKERAGE INC.
133 Richmond Street West, Suite 302
Toronto, Ontario
M5H 2L3

DIRECTORS APPROVAL

The contents of this Management Information Circular and the sending thereof to the Shareholders of the Corporation have been approved by the Board.

Dated July 16, 2020

(signed) *"Tamir Poleg"*
Tamir Poleg
Chief Executive Officer

SCHEDULE "A"

THE REAL BROKERAGE INC. (THE "CORPORATION") AUDIT COMMITTEE CHARTER

(a) Mandate

The primary function of the Audit Committee is to assist the board of directors (the "**Board**") in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Corporation to regulatory authorities and shareholders, the Corporation's systems of internal controls regarding finance and accounting and the Corporation's auditing, accounting and financial reporting processes. Consistent with this function, the Audit Committee will encourage continuous improvement of, and should foster adherence to, the Corporation's policies, procedures and practices at all levels. The Audit Committee's primary duties and responsibilities are to:

(i) Serve as an independent and objective party to monitor the Corporation's financial reporting and internal control system and review the Corporation's financial statements.

(ii) Review and appraise the performance of the Corporation's external auditors.

(iii) Provide an open avenue of communication among the Corporation's auditors, financial and senior management and the Board.

(b) Composition

The Audit Committee shall be comprised of three directors as determined by the Board, the majority of whom shall be free from any relationship that, in the opinion of the Board, would interfere with the exercise of his or her independent judgment as a member of the Audit Committee.

At least one member of the Audit Committee shall have accounting or related financial management expertise. All members of the Audit Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Audit Committee's Charter, the definition of "financially literate" is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Corporation's financial statements.

The members of the Audit Committee shall be elected by the Board at its first meeting following the annual shareholders' meeting. Unless a Chair is elected by the full Board, the members of the Audit Committee may designate a Chair by a majority vote of the full Audit Committee membership.

(c) Meetings

The Audit Committee shall meet at least twice annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Audit Committee will meet at least annually with the Chief Financial Officer and the external auditors in separate sessions.

(d) Responsibilities and Duties

(i) Documents/Reports Review

To fulfill its responsibilities and duties, the Audit Committee shall:

(A) Review and update this Charter annually.

(B) Review the Corporation's financial statements, MD&A, any annual and interim earnings and press releases before the Corporation publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.

(ii) External Auditors

(A) Review annually, the performance of the external auditors who shall be ultimately accountable to the Board and the Audit Committee as representatives of the shareholders of the Corporation.

(B) Obtain annually, a formal written statement of the external auditors setting forth all relationships between the external auditors and the Corporation, consistent with Independence Standards Board Standard 1.

(C) Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.

(D) Take, or recommend that the full Board take appropriate action to oversee the independence of the external auditors.

(E) Recommend to the Board the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.

(F) At each meeting of the Audit Committee, consult with the external auditors, without the presence of management, about the quality of the Corporation's accounting principles, internal controls and the completeness and accuracy of the Corporation's financial statements.

(G) Review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Corporation.

(H) Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.

(I) Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Corporation's external auditor. The pre-approval requirement is waived with respect to the provision of non-audit services provided;

(I) the aggregate amount of all such non-audit services provided to the Corporation constitutes not more than five percent of the total amount of fees paid by the Corporation to its external auditor during the fiscal year in which the non-audit services are provided;

(II) such services were not recognized by the Corporation at the time of the engagement to be non-audit services; and

(III) such services are promptly brought to the attention of the Audit Committee and approved, prior to the completion of the audit, by the Audit Committee or by one or more members of the Audit Committee to whom authority to grant such approvals has been delegated by the Audit Committee.

Provided the pre-approval of the non-audit services is presented to the Audit Committee's first scheduled meeting following such approval, such authority may be delegated by the Audit Committee to one or more independent members of the Audit Committee.

(e) Financial Reporting Processes

(i) In consultation with the external auditor, review with management the integrity of the Corporation's financial reporting process, both internal and external.

(ii) Consider the external auditors' judgments about the quality and appropriateness of the Corporation's accounting principles as applied in its financial reporting.

(iii) Consider and approve, if appropriate, changes to the Corporation's auditing and accounting principles and practices as suggested by the external auditor and management.

(iv) Review significant judgments made by management in the preparation of the financial statements and the view of the external auditor as to appropriateness of such judgments.

(v) Following completion of the annual audit, review separately with management and the external auditor any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.

(vi) Review any significant disagreement among management and the external auditor in connection with the preparation of the financial statements.

(vii) Review with the external auditor and management the extent to which changes and improvements in financial or accounting practices have been implemented.

(viii) Review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters.

(ix) Review the certification process.

(x) Establish a procedure for the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.

(f) Other

Review any related-party transactions.

SCHEDULE "B"

THE REAL BROKERAGE INC.
NOTICE OF CHANGE OF AUDITOR

TO: **Smythe LLP**

AND TO: Brightman Almagor Zohar & Co.

AND TO: British Columbia Securities Commission
Alberta Securities Commission
Ontario Securities Commission
TSX Venture Exchange

The Real Brokerage Inc. (formerly ADL Ventures Inc.) (the "**Company**") gives the following notice in accordance with 4.11 of National Instrument 51-102 - *Continuous Disclosure Obligations* (**NI 51-102**):

1. The Company has decided to change its auditor from Smythe LLP (the "**Former Auditor"**) to Brightman Almagor Zohar & Co. (the "**Successor Auditor**"). Consequently, on June 8, 2020, the Company asked the Former Auditor to resign. The Former Auditor submitted their resignation effective June 5, 2020. Pursuant to the *Business Corporations Act* (British Columbia), the directors are entitled to fill any casual vacancy in the office of the new auditor. The Successor Auditor has agreed to its appointment as the Company's new auditor.

2. The Former Auditor resigned at the Company's request.

3. The making of the Company's request for the Former Auditor to resign as auditor of the Company and the appointment of the Successor Auditor as auditor of the Company, were considered and approved by the Audit Committee of the Board of Directors of the Company and also by the Board of the Directors of the Company.

4. There were no modified opinions in the Former Auditor's reports in connection with the audits of the Company's fiscal year ended December 31, 2019 and fiscal period ended December 31, 2018. There have been no further audits of financial statements subsequent to the Company's most recently completed fiscal year and ending on the date of the Former Auditor's resignation.

5. There are no "reportable events", as defined in NI 51-102.

DATED as of this 8th day of June, 2020.

THE REAL BROKERAGE INC.
(FORMERLY ADL VENTURES INC.)

/s/ "*Tamir Poleg*"
Name: Tamir Poleg
Title: Chief Executive Officer

Smythe
CPA

June 9, 2020

TSX Venture Exchange
British Columbia Securities Commission
Alberta Securities Commission
Ontario Securities Commission

Dear Sirs:

Re: The Real Brokerage Inc. (formerly ADL Ventures Inc.) (the "Company") Change of Auditor

We are writing in accordance with Section 4.11(5)(a) of National Instrument 51-102 *Continuous Disclosure Obligations* ("NI 51-102"). We wish to confirm that we have read the Notice of Change of Auditor of the Company dated June 8, 2020 and that based on our current knowledge we are in agreement with the information contained in such Notice.

Yours very truly,

Smythe LLP

Smythe LLP | **smythecpa.com**

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F: 604 688 4675

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305 – 9440 202 St
Langley, BC V1M 4A6
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F: 604 357 1376

Nanaimo
201 – 1825 Bowen Rd
Nanaimo, BC V9S 1H1
T: 250 755 2111
F: 250 984 0886

Deloitte.

TSX Venture Exchange
British Columbia Securities Commission
Alberta Securities Commission
Ontario Securities Commission

Dear Sirs:

Re: The Real Brokerage Inc. (formerly ADL Ventures Inc.) (the "Company") Change of Auditor

We are writing in accordance with Section 4.11(5)(a) of National Instrument 51-102 *Continuous Disclosure Obligations* ("NI 51-102"). We wish to confirm that we have read the Notice of Change of Auditor of the Company dated June 8, 2020 and that based on our current knowledge we are in agreement with the information contained in such Notice.

Yours very truly,

Brightman Almagor Zohar & Co.
Certified Public Accountants
A Firm in the Deloitte Global Network

Tel Aviv, Israel
June 9, 2020

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SCHEDULE "C"

THE REAL BROKERAGE INC.
AMENDED AND RESTATED STOCK OPTION PLAN

THE REAL BROKERAGE INC.
AMENDED AND RESTATED STOCK OPTION PLAN

1. Purpose of the Plan

1.1 The purpose of the Plan is to give to Eligible Persons the opportunity to participate in the success of the Corporation by granting to such individuals Options to acquire common shares of the Corporation in accordance with the terms of the Plan, thereby giving such Eligible Persons an ongoing proprietary interest in the Corporation.

2. Defined Terms

Where used herein, the following terms shall have the following meanings:

2.1 "**BCSA**" means the *Securities Act*, R.S.B.C. 1996, c. 418.

2.2 "**Blackout Period**" means a period of time during which the Optionee cannot exercise an Option, or sell the Shares issuable pursuant to an exercise of Options, due to applicable policies of the Corporation in respect of insider trading.

2.3 "**Board**" means the board of directors of the Corporation, or, if established and duly authorized to act with respect to this Plan, any committee of the board of directors of the Corporation.

2.4 "**Broker**" has the meaning specified in Section 11.1.

2.5 "**Change of Control Event**" has the meaning specified in Section 9.1.

2.6 "**Company**" means, unless specifically indicated otherwise, a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual.

2.7 "**Consultant**" has the meaning specified in the Exchange Manual.

2.8 "**Corporation**" means The Real Brokerage Inc. and its successors.

2.9 "**Disability**" means any disability with respect to an Optionee which the Board, in its sole and unfettered discretion, considers likely to permanently prevent the Optionee from:

(a) being employed or engaged by the Corporation or its Subsidiaries in a position the same as or similar to that in which he was last employed or engaged by the Corporation or its Subsidiaries; or

(b) acting as a director or officer of the Corporation or its Subsidiaries.

2.10 "**Eligible Person**" means a *bona fide*:

(a) director, senior officer, or Employee of the Corporation or any of its Subsidiaries;

(b) a Company that is wholly-owned by any of the foregoing; or

(c) a Consultant.

2.11 "**Employee**" has the meaning specified in the Exchange Manual.

2.12 "**Event of Termination**" has the meaning specified in Section 6.2.

2.13 "**Exchange**" means the TSX Venture Exchange, or, if any time the Shares are not listed for trading on such exchange, any other stock exchange (including the Toronto Stock Exchange) on which the Shares are then listed and posted for trading from time to time as may be designated by the Board.

2.14 "**Exchange Manual**" means the Corporate Finance Manual of the Exchange.

2.15 "**Expiry Time**" means, with respect to any Option, the close of business on the date upon which such Option expires.

2.16 "**Insider**" has the meaning specified in the Exchange Manual.

2.17 "**Investor Relations Activities**" has the meaning specified in the Exchange Manual.

2.18 "**Market Price**" means the last closing price of the Shares on the Exchange prior to the grant of an Option.

2.19 "**Option**" means an option to purchase Shares granted to an Eligible Person under the Plan.

2.20 "**Option Price**" means the price per Share at which Optioned Shares may be purchased under an Option, as the same may be adjusted from time to time in accordance with Article 8.

2.21 **"Optioned Shares"** means the Shares issuable pursuant to an exercise of Options.

2.22 "**Optionee**" means an Eligible Person to whom an Option has been granted and who continues to hold such Option.

2.23 "**Plan**" means this stock option plan of the Corporation, as the same may be amended from time to time.

2.24 "**Shares**" means the common shares of the Corporation.

2.25 "**Subsidiary**" means any corporation which is a subsidiary, as such term is defined in Subsection 1(4) of the BCSA.

2.26 "**Withholding Obligations**" has the meaning specified in Section 11.1.

3. Administration of the Plan

3.1 The Plan shall be administered by the Board.

3.2 The Board shall have the power, where consistent with the general purpose and intent of the Plan and subject to the specific provisions of the Plan to:

(a) establish policies and to adopt rules and regulations for carrying out the purposes, provisions and administration of the Plan;

(b) interpret and construe the Plan and to determine all questions arising out of the Plan or any Option, and any such interpretation, construction or determination made by the Board shall be final, binding and conclusive for all purposes;

(c) determine the number of Optioned Shares issuable on the exercise of each Option, the Option Price thereunder and the time or times when the Options will be granted, exercisable and expire;

(d) determine if the Optioned Shares which are issuable on the exercise of an Option will be subject to any restrictions upon the exercise of such Option; and

(e) prescribe the form of the instruments relating to the grant, exercise and other terms of Options.

3.3 A member of the Board may be entitled to participate in the Plan only if such member does not participate in any manner whatsoever in the granting of any Options to, the terms and conditions of, or any other determinations made with respect to, such member of the Board or to such Option.

3.4 The Board may, in its discretion, require as conditions to the grant or exercise of any Option that the Optionee shall have, among other things:

(a) represented, warranted and agreed in form and substance satisfactory to the Corporation that such Optionee is acquiring and will acquire such Option and the Optioned Shares for such Optionee's own account, and not with a view to or in connection with any distribution or resale, that such Optionee has had access to such information as is necessary to enable such Optionee to evaluate the merits and risks of such investment and that such Optionee is able to bear the economic risk of investing in the Shares;

(b) agreed to restrictions on transfer in form and substance satisfactory to the Corporation and to an endorsement on any option agreement or certificate representing the Shares making appropriate reference to such restrictions; and

(c) agreed to indemnify the Corporation in connection with the foregoing.

4. Shares Subject to the Plan

4.1 Subject to Article 8, the maximum number of Shares with respect to which Options may be granted from time to time pursuant to the Plan shall not exceed 28,267,516 (being 20% of the Corporation's outstanding Shares as at July 16, 2020), less the number of Shares issuable pursuant to all other Security Based Compensation Agreements.

4.2 If any Option is terminated, cancelled or has expired without being fully exercised, any unissued Shares which have been reserved to be issued upon the exercise of the Option shall become available to be issued upon the exercise of Options subsequently granted under the Plan.

5. Eligibility, Grant and Terms of Options

5.1 Options may be granted to any Eligible Person in accordance with Section 5.2.

5.2 Options may be granted by the Corporation pursuant to the recommendations of a committee of the Board from time to time provided and to the extent that such decisions are approved by the Board.

5.3 Subject to any adjustments pursuant to the provisions of Article 8 hereof, the Option Price of any Option shall in no circumstances be lower than the Market Price. If, as and when any Shares have been duly purchased and paid for under the terms of an Option, such Optioned Shares shall be conclusively deemed to be allotted and issued as fully paid and non-assessable Shares at the price paid therefor.

5.4 The term of an Option shall not exceed 10 years from the date of the grant of the Option.

5.5 No Options shall be granted to any Optionee if such grant could result, at any time, in:

(a) the issuance to any one individual, within a one-year period, of a number of Shares exceeding 5% of the issued and outstanding Shares;

(b) the issuance to any one Consultant, in any 12 month period, of a number of Shares exceeding 2% of the issued and outstanding Shares; and

(c) the issuance to Employees conducting Investor Relations Activities, in any 12 month period, of an aggregate number of Shares exceeding 2% of the issued and outstanding Shares;

unless permitted otherwise by the Exchange.

5.6 With respect to any Options granted to Employees or Consultants, the Corporation represents that that the Optionee is a bona fide Employee or Consultant, as applicable.

5.7 An Option shall vest and may be exercised (in each case to the nearest full Share) in whole or in part at any time during the term of such Option after the date of the grant as determined by the resolution of the Board granting the Option. No fractional Shares may be purchased or issued under the Plan. Notwithstanding the foregoing, in accordance with the Exchange Manual, and subject to their approval to the contrary, Options granted to Optionees performing Investor Relations Activities must vest (and not otherwise be exercisable) in stages over a minimum of 12 months with no more than ¼ of the Options vesting in any three-month period.

5.8 Notwithstanding anything else contained in this Plan, if an Option expires during or within 10 business days of a Blackout Period applicable to the relevant Optionee, then the expiration date for that Option shall be the date that is the 11th business day after the expiry date of the Blackout Period. This section applies to all Options outstanding under this Plan.

6. <u>Termination of Employment</u>

6.1 Subject to Sections 6.2 and 6.3 hereof and to any express resolution passed by the Board with respect to an Option, an Option, vested or unvested, and all rights to purchase Optioned Shares pursuant thereto shall expire and terminate immediately upon the Optionee ceasing to be an Eligible Person, provided that:

(a) in the case of termination of employment without cause, such Option and all rights to purchase Optioned Shares in respect thereof shall expire and terminate:

(i) in the case of an Optionee who is an Eligible Person, 90 days following notice of termination of employment or on the Expiry Time, whichever is earlier; and

(ii) in the case of an Optionee who is engaged in Investor Relations Activities, 30 days following notice of termination to provide such Investor Relation Activities or on the Expiry Time, whichever is earlier.

(b) in the case of termination for cause, such Option and all rights to purchase Optioned Shares in respect thereof shall expire and terminate on the date of such termination shall be cancelled as of that date or on the Expiry Time, whichever is earlier.

6.2 If, before the Expiry Time of an Option, an Optionee shall cease to be an Eligible Person (an "**Event of Termination**") as a result of the Optionee's Disability, then the Board, at its discretion, may allow the Optionee to exercise any vested Options to the extent that the Optionee was entitled to do so at the time of such Event of Termination, at any time up to and including, but not after, a date 12 months following the date of such Event of Termination or on the Expiry Time, whichever is earlier.

6.3 If an Optionee dies before the Expiry Time of an Option, the Optionee's legal representative(s) may, subject to the terms of the Option and the Plan, exercise any vested Options to the extent that the Optionee was entitled to do so at the date of the Optionee's death at any time up to and including, but not after, a date 12 months following the date of the Optionee's death or on the Expiry Time, whichever is earlier.

6.4 For greater certainty, Options shall not be affected by any change of employment of the Optionee or by the Optionee ceasing to be a director, senior officer or Employee of the Corporation or any of its Subsidiaries provided that the Optionee continues to be an Eligible Person.

6.5 If the Optionee is a Company that is wholly owned by an Eligible Person, the references to the Optionee in this Article 6 shall be deemed to refer to the Eligible Person associated with such Company.

6.6 Notwithstanding anything contained in this Article 6, the Board may when granting an Option to a Consultant impose specific rules respecting the cessation of participation of such Consultant, which rules may vary from, and shall supersede, those contained in this Article 6.

7. Exercise of Options

7.1 Subject to the provisions of the Plan, an Option may be exercised from time to time by delivery to the Corporation at its principal office in Toronto, Ontario of a written notice of exercise (substantially in the form attached hereto as Schedule B) specifying the number of Optioned Shares with respect to which the Option is being exercised and accompanied by payment in full, by cash or cheque, of the Option Price of the Shares then being purchased and, if required by the Corporation, the amount necessary to satisfy any applicable Withholding Obligations. The Optioned Shares so purchased shall be issued and delivered to the Optionee within a reasonable time following the receipt of such notice and payment. The transfer and delivery of any Optioned Shares issued upon exercise of any Option shall be effected according to the procedures established by the transfer agent of the Corporation for the transfer and delivery of the Shares.

7.2 In addition to any resale restrictions under the BCSA or other applicable legislation, all Options granted under this Plan where the exercise price is less than the Market Price and all Optioned Shares issued on the exercise of such Options (before the expiry of the hold period) will be subject to a four-month Exchange hold period from the date the Options are granted, and the option agreements and the certificates representing such Shares will bear the following legend:

> "Without prior written approval of TSX Venture Exchange and compliance with all applicable securities legislation, the securities represented by this certificate may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until [insert date that is four months and a day after the date of issuance of the Options]."

7.3 Notwithstanding any of the provisions contained in the Plan or in any Option, the Corporation's obligation to issue Shares to an Optionee pursuant to the exercise of any Option shall be subject to:

(a) completion of such registration or other qualification of such Shares or obtaining approval of such governmental or regulatory authority as the Corporation shall determine to be necessary or advisable in connection with the authorization, issuance or sale thereof;

(b) the admission of such Shares to listing on the Exchange;

(c) the receipt from the Optionee of such representations, warranties, agreements and undertakings, as the Corporation or its counsel determines to be necessary or advisable; and

(d) the satisfaction of any conditions on exercise, including those prescribed under Section 3.4.

7.4 No member of the Board shall be liable for any action or determination taken or made in good faith in the administration, interpretation, construction or application of the Plan or any Options granted under it.

Options shall be evidenced by a share option agreement, instrument or certificate in such form not inconsistent with this Plan as the Board may from time to time determines provided for under Subsection 3.2(e) (substantially in the form attached hereto as Schedule A).

8. Certain Adjustments

8.1 In the event of any reorganization, recapitalization, stock split, stock dividend, combination of shares, merger, consolidation, rights offering or any other corporate change involving a change to the Shares at any time after the grant of any Option to any Optionee and prior to the expiration of the term of such Option, the Corporation shall deliver to such Optionee at the time of any subsequent exercise of his or her Option in accordance with the terms hereof, in lieu of the number of Optioned Shares to which he or she was entitled upon such exercise, but for the same aggregate consideration therefore, such number of Optioned Shares as such Optionee would have held as a result of such change if on the record date thereof the Optionee had been the registered holder of the number of Optioned Shares to which he was previously entitled upon such exercise.

8.2 In the event the Corporation should declare and pay a special cash dividend or other distribution out of the ordinary course, a special dividend in specie on the Shares, or a stock dividend other than in the ordinary course, the Option Price of all Options outstanding on the record date of such dividend or other distribution shall be reduced by an amount equal to the cash payment or other distribution or the fair market value of the dividend in specie or stock dividend or other distribution, as determined by the Board in its sole discretion but subject to all necessary regulatory approvals.

9. Change of Control Event

9.1 If at any time when an Option granted under this Plan remains unexercised with respect to any Shares and:

(a) a *bona fide* offer to purchase all of the issued Shares of the Corporation is made by a third party;

(b) the Corporation proposes to sell all or substantially all of its assets and undertakings;

(c) the Corporation proposes to merge, amalgamate or be absorbed by or into any other corporation (save and except for a Subsidiary) under any circumstances which involve or may involve or require the liquidation of the Corporation, a distribution of its assets among its shareholders, or the termination of the corporate existence of the Corporation;

(d) the Corporation proposes an arrangement as a result of which all of the outstanding Shares of the Corporation would be acquired by a third party; or

(e) any other form of transaction is proposed which the majority of the Board determines is reasonably likely to have similar effect any of the foregoing (each a "**Change of Control Event**"),

(f) then upon completion of any of the foregoing transactions, the Board may require that an Option granted under this Plan may be exercised (whether or not such Option has vested), as to all or any of the Optioned Shares in respect of which such Option has not previously been exercised, by the Optionee at any time up to and including (but not after) the Expiry Time of the Option; and

(g) the Corporation may, require the acceleration of the time for the exercise of the said Option and of the time for the fulfillment of any conditions or restrictions on such exercise, and all such changes shall be final and binding on all Options granted under this Plan.

9.2 Upon completion of any of the transactions referred to in Section 9.1, an Optionee who thereafter shall exercise an Option granted under this Plan shall accept in lieu of the number of Optioned Shares to which such Optionee was entitled upon such exercise, the aggregate number of shares, other securities or other property which such Optionee would have been entitled to receive as a result of such transaction if, on the effective date, the Optionee had been the registered holder of the number of Shares to which such Optionee was entitled to upon exercise, except that if the Corporation is not able to procure compliance with this provision by the issuer or payee of the shares, securities or other property then the Optionee shall accept the Optioned Shares that the Optionee would be entitled to receive on exercise of the Option.

9.3 For greater certainty, and notwithstanding anything else to the contrary contained in this Plan, the Board shall have the power, in its sole discretion, in any Change of Control Event which may or has occurred, to make such arrangements as it shall deem appropriate for the exercise of outstanding Options including, without limitation, to modify the terms of this Plan and/or the Options, to amend or accelerate the vesting of any Option, to permit the exercise of any or all remaining Options prior to or in conjunction with completion of such transaction provided that, no acceleration of the vesting of Options held by Optionees performing Investor Relations Activities shall occur without the prior written consent of the Exchange. If the Board shall exercise such power, the Options shall be deemed to have been amended to permit the exercise thereof in whole or in part by the Optionee at any time or from time to time as determined by the Board prior to or in conjunction with completion of such transaction.

10. Amendment or Discontinuance of the Plan

10.1 The Board may suspend or terminate the Plan at any time, or from time to time amend the terms of the Plan or of any Option granted under the Plan and any stock option agreement relating thereto, provided that any such suspension, termination or amendment:

(a) complies with applicable law and the requirements of the Exchange, including applicable requirements relating to requisite shareholder approval and prior approval of the Exchange or any other relevant regulatory body;

(b) is, in the case of an amendment that materially adversely affects the rights of any Optionee, made with consent of such Optionee; and

(c) is, in the case of any reduction in the Option Price of Options held by Optionees that are Insiders at the time of the proposed reduction, subject to approval by disinterested shareholders of the Corporation in accordance with the Exchange Manual.

10.2 If the Plan is terminated, the provisions of the Plan and any administrative guidelines and other rules and regulations adopted by the Board and in force on the date of termination will continue in effect as long as any Option or any rights pursuant thereto remain outstanding and, notwithstanding the termination of the Plan, the Board will remain able to make such amendments to the Plan or the Options as they would have been entitled to make if the Plan were still in effect.

10.3 No amendment, suspension or discontinuance of the Plan may contravene the requirements of the Exchange or any securities commission or regulatory body to which the Plan or the Corporation is now or may hereafter be subject.

11. Withholding Obligations

11.1 The Corporation may withhold from any amount payable to an Optionee, either under the Plan or otherwise, such amounts as are required by law to be withheld or deducted as a consequence of his or her exercise of Options or other participation in this Plan ("**Withholding Obligations**"). The Corporation shall have the right, in its discretion, to satisfy any Withholding Obligations by:

(a) selling or causing to be sold, on behalf of any Optionee, such number of Shares issued to the Optionee on the exercise of Options as is sufficient to fund the Withholding Obligations;

(b) retaining the amount necessary to satisfy the Withholding Obligations from any amount which would otherwise be delivered, provided or paid to the Optionee by the Corporation, whether under this Plan or otherwise;

(c) requiring the Optionee, as a condition of exercise under Article 3 to (i) remit the amount of any such Withholding Obligations to the Corporation in advance; (ii) reimburse the Corporation for any such Withholding Obligations; or (iii) cause a Broker who sells Shares acquired by the Optionee on behalf of the Optionee to withhold from the proceeds realized from such sale the amount required to satisfy any such Withholding Obligations and to remit such amount directly to the Corporation; and/or

(d) making such other arrangements as the Corporation may reasonably require.

The sale of Shares by the Corporation, or by a broker engaged by the Corporation (the "**Broker**"), under clause 11.1 above will be made on the Exchange. The Optionee consents to such sale and grants to the Corporation an irrevocable power of attorney to effect the sale of such Shares on his or her behalf and acknowledges and agrees that (i) the number of Shares sold shall, at a minimum, be sufficient to fund with Withholding Obligations net of all selling costs, which costs are the responsibility of the Optionee and which the Optionee hereby authorizes to be deducted from the proceeds of such sale; (ii) in effecting the sale of any such shares, the Corporation or the Broker will exercise its sole judgement as to the timing and the manner of sale and will not be obligated to seek or obtain a minimum price; and (iii) neither the Corporation nor the Broker will be liable for any loss arising out of any sale of such Shares including any loss relating to the pricing, manner or timing of such sales or any delay in transferring any Shares to an Optionee or otherwise. The Optionee further acknowledges that the sale price of Shares will fluctuate with the market price of the Corporation's Shares and no assurance can be given that any particular price will be received upon any sale.

12. Miscellaneous Provisions

12.1 The operation of this Plan and the issuance and exercise of all Options and Optioned Shares contemplated by this Plan are subject to compliance with all applicable laws, and all rules and requirements of the Exchange.

12.2 As a condition of participating in the Plan, each Optionee agrees to comply with all applicable law and the requirements of the Exchange, and to fully cooperate with the Corporation in doing all such things, including executing and delivering all such agreements, undertakings or other documents or furnishing all such information as is reasonably necessary to facilitate compliance with such laws, rules and requirements, including all Withholding Obligations.

12.3 Participation in the Plan is voluntary and does not constitute a condition of employment or continued employment or service. An Optionee shall not have any rights as a shareholder of the Corporation with respect to any of the Optioned Shares underlying any Option until the date of issuance of a certificate for Shares upon the exercise of such Option, in full or in part, and then only with respect to the Shares represented by such certificate or certificates. Without in any way limiting the generality of the foregoing, no adjustment shall be made for dividends or other rights for which the record date is prior to the date such share certificate is issued.

12.4 Nothing in the Plan or any Option shall confer upon an Optionee any right to continue or be re-elected as a director of the Corporation or any right to continue in the employ or engagement of the Corporation or any Subsidiary, or affect in any way the right of the Corporation or any Subsidiary to terminate his or her employment or engagement at any time; nor shall anything in the Plan or any Option be deemed or construed to constitute an agreement, or an expression of intent, on the part of the Corporation or any Subsidiary to extend the employment or engagement of any Optionee beyond the time which he or she would normally be retired pursuant to the provisions of any present or future retirement plan of the Corporation or any Subsidiary or any present or future retirement policy of the Corporation or any Subsidiary, or beyond the time at which he or she would otherwise be retired pursuant to the provisions of any contract of employment with the Corporation or any Subsidiary.

12.5 An Option shall be personal to the Optionee and shall be non-assignable and non- transferable (whether by operation of law or otherwise), except as provided for herein. Upon any attempt to transfer, assign, pledge, hypothecate or otherwise dispose of an Option contrary to the provisions of the Plan, or upon the levy of any attachment or similar process upon an Option, the Option shall, at the election of the Corporation, cease and terminate and be of no further force or effect whatsoever. Notwithstanding the above, if the Optionee is a Company that is wholly-owned by an Eligible Person, the Option may be transferred or assigned between the Optionee and the Eligible Person associated with the Optionee.

12.6 The Plan (including any amendment to the Plan), the terms of the issue or grant of any Option under the Plan, the grant and exercise of Options hereunder, and the Corporation's obligation to sell and deliver Optioned Shares upon the exercise of Options, shall be subject to all applicable law and the requirements of the Exchange, and to such approvals by any regulatory or governmental agency as may, in the opinion of counsel to the Corporation, be necessary or advisable. The Corporation shall not be obliged by any provision of the Plan or the grant of any Option hereunder to issue or sell Shares in violation of such laws, rules and regulations or any condition of such approvals.

12.7 The Plan and all matters to which reference is made herein shall be governed by and interpreted in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.

12.8 This Plan shall be effective as of August 20, 2020.

SCHEDULE A

THE REAL BROKERAGE INC.
STOCK OPTION AGREEMENT

OPTION AGREEMENT made the_____day of_____, 2020

B E T W E E N:

The Real Brokerage Inc., a corporation incorporated under the laws of the Province of British Columbia, (hereinafter called the "**Corporation**")

- and -

_____
(Name)

_____
(Address)

(hereinafter called the "**Optionee**")

WHEREAS the Corporation has established the Stock Option Plan (the "**Plan**") for Eligible Persons;

AND WHEREAS the Optionee is an "Eligible Person" under the Plan and the board of directors of the Corporation has authorized the granting by the Corporation of an option to the Optionee pursuant to and in accordance with the provisions of the Plan on the terms hereinafter set forth;

NOW THEREFORE THE CORPORATION AND THE OPTIONEE AGREE AS FOLLOWS:

1. The Corporation hereby grants to the Optionee, subject to the terms and conditions set forth in this Agreement and the Plan, options ("**Options**") to purchase that number of common shares ("**Shares**") of the Corporation set forth below, at the Exercise Price(s) set forth below, which Options will vest and be exercisable as of the vesting date(s) set forth below and expire (to the extent not previously exercised) as of the close of business on the expiry date(s) set forth below:

Number of Shares	Exercise Price	Vesting Date	Expiry Date
•	$•	•	•
•	$•	•	•
•	$•	•	•

2. As of the close of business on the expiry date(s) set forth in Section 1 above, any Options that remain unexercised will expire and be of no further force or effect.

3. The Optionee acknowledges receipt of a copy of the Plan and hereby agrees that the Options are subject to the terms and conditions of the Plan, including all amendments to the Plan required by the Exchange or other regulatory authority or otherwise consented to by the Optionee. The Plan contains provisions permitting the termination of the Plan and outstanding Options.

4. By signing this Agreement, the Optionee acknowledges and agrees that: (i) the Optionee has read and understands the Plan and has been advised to seek independent legal advice with respect to his rights in respect of the Options and agrees to the terms and conditions thereof and of this Stock Option Agreement; (ii) in addition to any resale restrictions under applicable securities laws, all Options and Optioned Shares may be legended with a hold period as required by the Exchange or other regulatory authority; (iii) he or she has not been induced to participate in the Plan by expectation of appointment, employment, or service or continued appointment, employment or service; and (iv) if the Optionee is a Company that is wholly-owned by an Eligible Person, it agrees not to effect or permit any transfer of ownership or option of shares of the Company nor to issue further shares of any class in the Company to any other individual or entity as long as any Options granted to the Optionee remain outstanding, except with the written consent of the Exchange.

5. In the event that a take-over bid is made for the Shares at any time after the date of this agreement, the Board shall have the power, in its sole discretion, to modify the terms of this Plan and/or the Options, including, for greater certainty, to cause the vesting of all unvested Options or to otherwise assist the Optionees to tender into a take-over bid. Notwithstanding the foregoing, no acceleration of the vesting of Options held by an Optionee performing Investor Relations Activities shall occur without the prior written consent of the Exchange.

6. The Optionee acknowledges and agrees that the Board may, in its discretion, require as conditions to the grant or exercise of any Option that the Optionee shall have, among other things:

   (a) represented, warranted and agreed in form and substance satisfactory to the Corporation that such Optionee is acquiring and will acquire such Option and the Optioned Shares for such Optionee's own account, and not with a view to or in connection with any distribution or resale, that such Optionee has had access to such information as is necessary to enable such Optionee to evaluate the

   (b) merits and risks of such investment and that such Optionee is able to bear the economic risk of investing in the Shares;

   (c) agreed to restrictions on transfer in form and substance satisfactory to the Corporation and to an endorsement on any option agreement or certificate representing the Shares making appropriate reference to such restrictions; and

   (d) agreed to indemnify the Corporation in connection with the foregoing.

7. Time is of the essence of this Agreement.

8. This Agreement shall enure to the benefit of and be binding upon the Corporation, its successors and assigns. Other than as provided for in the Plan, the Options under this option agreement are not transferable or assignable by the Optionee.

9. In the event of any inconsistency between the terms of this Agreement and the terms of the Plan, the terms of the Plan shall govern.

10. The grant of the Options is strictly confidential and the information concerning the number or price of Optioned Shares granted under this Plan should not be disclosed to anyone.

11. This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and shall be treated in all respects as a British Columbia contract.

THE REAL BROKERAGE INC.

Per: _____

SCHEDULE B

NOTICE OF EXERCISE OF STOCK OPTIONS

To: The Real Brokerage Inc.

The undersigned Optionee hereby exercises his/her/its Option to purchase _____ common shares of The Real Brokerage Inc. granted on_____, at the exercise price (the "**Exercise Price**") of $_____per share.

Payment in full of the aggregate Exercise Price for the total number of common shares purchased is enclosed.

Date: _____

_____
Signature

_____
Name (*please print*)

_____

_____
Address

Please have my certificate sent to me at:

☐ at my address indicated above.
☐ The Real Brokerage Inc.

Please register my shares as set out above, or as follows:

_____

_____
Address

SCHEDULE "D"

THE REAL BROKERAGE INC. RSU PLAN

THE REAL BROKERAGE INC.

RESTRICTED SHARE UNIT PLAN

ARTICLE I
DEFINITIONS AND INTERPRETATION

1.1 Definitions

For purposes of this Plan:

(a) **"Account"** means an account maintained by the Corporation for each Participant and which will be credited with RSUs in accordance with the terms of this Plan;

(b) **"Award Date"** means the date or dates on which an award of RSUs is made to a Participant in accordance with Section 4.1;

(c) **"Award Value"** means, with respect to any RSUs, an amount equal to the number of RSUs, as such number may be adjusted in accordance with the terms of this Plan, multiplied by the Fair Market Value of the Shares;

(d) **"Black-Out Period"** means the period of time when, pursuant to any policies of the Corporation, any securities of the Corporation may not be traded by certain persons as designated by the Corporation, including any Participant that holds an RSU;

(e) **"Board"** means the board of directors of the Corporation as constituted from time to time;

(f) "**Change of Control**" means:

(i) a successful takeover bid; or

(ii) (A) any change in the beneficial ownership or control of the outstanding securities or other interests of the Corporation which results in:

(1) a person or group of persons "acting jointly or in concert" (within the meaning of MI 62-104); or

(2) an affiliate or associate of such person or group of persons;

holding, owning or controlling, directly or indirectly, more than 50% of the outstanding voting securities or interests of the Corporation; and

(B) members of the Board who are members of the Board immediately prior to the earlier of such change and the first public announcement of such change cease to constitute a majority of the Board at any time within sixty days of such change; or

(iii) Incumbent Directors no longer constituting a majority of the Board; or

(iv) the winding up of the Corporation or the sale, lease or transfer of all or substantially all of the assets to any other person or persons (other than pursuant to an internal reorganization or in circumstances where the business of the Corporation is continued and where the shareholdings or other securityholdings, as the case may be, in the continuing entity and the constitution of the board of directors or similar body of the continuing entity is such that the transaction would not be considered a "Change of Control" if paragraph 1.1(f)(ii) above was applicable to the transaction); or

(v) any determination by a majority of the Board that a Change of Control has occurred or is about to occur and any such determination shall be binding and conclusive for all purposes of this Plan;

(g) **"Code"** means the U.S. Internal Revenue Code of 1986, as amended;

(h) **"Committee"** has the meaning ascribed thereto in Section 2.4;

(i) **"Corporation"** means The Real Brokerage Inc., and includes any successor corporation thereof;

(j) **"Dividend Equivalent"** has the meaning ascribed thereto in Section 4.2;

(k) **"Dividend Market Value"** means the Fair Market Value per Share on the dividend record date;

(l) **"Exchange"** means the TSXV or, if the Shares are not then listed and posted for trading on the TSXV, such stock exchange on which such Shares are listed and posted for trading as may be selected for such purpose by the Board;

(m) **"Expiry Date"** means, with respect to a RSU, the expiry date as may be determined by the Board, in its sole discretion, and set out in the applicable RSU Agreement;

(n) **"Fair Market Value"** with respect to a Share, as at any date, means the volume weighted average of the prices at which the Shares traded on the TSXV (or, if the Shares are not then listed and posted for trading on the TSXV or are then listed and posted for trading on more than one stock exchange, on such stock exchange on which the majority of the trading volume and value of the Shares occurs) for the three (3) trading days on which the Shares traded on the said exchange immediately preceding such date. In the event that the Shares are not listed and posted for trading on any stock exchange, the Fair Market Value shall be the fair market value of the Shares as determined by the Board in its sole discretion, acting reasonably and in good faith;

(o) **"Forfeiture Date"** means the date that is the earlier of: (i) the effective date of the Participant's termination or resignation, as the case may be; and (ii) the date that the Participant ceases to be in the active performance of the usual and customary day-to- day duties of the Participant's position or job, regardless of whether adequate or proper advance notice of termination or resignation shall have been provided in respect of such cessation of being a Participant;

(p) **"Incumbent Directors"** means any member of the Board who was a member of the Board at the effective date of this Plan and any successor to an Incumbent Director who was recommended or elected or appointed to succeed any Incumbent Director by the affirmative vote of the Board, including a majority of the Incumbent Directors then on the Board, prior to the occurrence of the transaction, transactions, elections or appointments giving rise to a Change of Control;

(q) **"Insider", "associate"** and **"affiliate"** each have the meaning ascribed thereto in the TSX Venture Exchange Corporate Finance Manual, as amended from time to time;

(r) **"MI 62-104"** means Multilateral Instrument 62-104 - *Take-Over Bids and Issuer Bids*,

as amended from time to time;

(s) "**Outside Payment Date**", in respect of a RSU, means December 31 of the calendar year in which the Expiry Date occurs;

(t) **"Participant"** means any director, officer, employee or consultant of, or a person or company engaged by, one or more of the entities comprising the Real Group to provide services, other than person engaged to perform Investor Relations Activities (as such term is defined under the policies of the Exchange) for an initial, renewable or extended period, determined to be eligible to participate in this Plan in accordance with Section 3.1 and, where applicable, a former Participant deemed eligible to continue to participate in this Plan in accordance with Section 4.5;

(u) **"Plan"** means this Restricted Share Unit Plan;

(v) **"Real Group"** means, collectively, the Corporation, any entity that is a Subsidiary of the Corporation from time to time, and any other entity designated by the Board from time to time as a member of the Real Group for the purposes of this Plan (and, for greater certainty, including any successor entity of any of the aforementioned entities);

(w) **"RSU"** means a unit equivalent in value to a Share credited by means of a bookkeeping entry in the Participants' Accounts;

(x) **"RSU Agreement"** has the meaning set forth in Section 3.2;

(y) **"Security Based Compensation Arrangements"** means any incentive plan of the Corporation (other than this Plan), including the Corporation's stock option plan, and any incentive options granted by the Corporation outside of this Plan;

(z) **"Share"** means a common share of the Corporation;

(aa) **"Subsidiary"** has the meaning ascribed thereto in the *Securities Act* (Ontario); (bb) **"Successor"** has the meaning ascribed thereto in Section 5.2;

(cc) **"takeover bid"** means a "take-over bid" as defined in MI 62-104 pursuant to which the "offeror" would as a result of such takeover bid, if successful, beneficially own, directly or indirectly, in excess of 50% of the outstanding Shares;

(dd) **"TSXV"** means the TSX Venture Exchange Inc.;

(ee) "**U.S. Participant"** means a Participant who is a citizen or resident of the United States (including its territories, possessions and all areas subject to the jurisdiction); and

(ff) **"Vesting Date"** means, with respect to any RSU, the date upon which the Award Value to which the Participant is entitled pursuant to such RSU shall irrevocably vest and become irrevocably payable by the Corporation to the Participant in accordance with the terms hereof.

1.2 Interpretation

Words in the singular include the plural and words in the plural include the singular. Words importing male persons include female persons, corporations or other entities, as applicable. The headings in this document are for convenience and reference only and shall not be deemed to alter or affect any provision hereof. The words "hereto", "herein", "hereby", "hereunder", "hereof" and similar expressions mean or refer to this document as a whole and not to any particular Article, Section, paragraph or other part hereof.

ARTICLE II
PURPOSE AND ADMINISTRATION OF THE PLAN

2.1 Purpose

The purpose of this Plan is to: (a) aid in attracting, retaining and motivating the directors, officers, employees and other eligible Participants of the Real Group in the growth and development of the Real Group by providing them with the opportunity through RSUs to acquire an increased proprietary interest in the Corporation; (b) more closely align their interests with those of the Corporation's shareholders; (c) focus such Participants on operating and financial performance and long-term shareholder value; and (a) motivate and reward for their performance and contributions to the Corporation's long-term success.

2.2 Administration of the Plan

Subject to Section 2.4, this Plan shall be administered by the Board.

2.3 Authority of the Board

The Board shall have the full power to administer this Plan, including, but not limited to, the authority to:

(a) interpret and construe any provision hereof and decide all questions of fact arising in their interpretation;

(b) adopt, amend, suspend and rescind such rules and regulations for administration of this Plan as the Board may deem necessary in order to comply with the requirements of this Plan, or in order to conform to any law or regulation or to any change in any laws or regulations applicable thereto;

(c) determine the individuals or companies to whom RSUs may be awarded provided that the Board, together with such individuals or companies, are responsible for ensuring and confirming that such person is a bona fide employee, consultant or management company employee of any member of the Real Group and therefore eligible as a Participant;

(d) award such RSUs on such terms and conditions as it determines including, without limitation: the time or times at which RSUs may be awarded; the time or times when each RSU shall vest and the term of each RSU; whether restrictions or limitations are to be imposed on the Shares the Corporation may elect to issue in settlement of all or a portion of the Award Value of vested RSUs and the nature of such restrictions or limitations, if any; any acceleration or waiver of termination or forfeiture regarding any RSU; in each case, based on such factors as the Board may determine appropriate, in its sole discretion;

(e) take any and all actions permitted by this Plan; and

(f) make any other determinations and take such other action in connection with the administration of this Plan that it deems necessary or advisable.

2.4 Delegation of Authority

To the extent permitted by applicable law, the Board may, from time to time, delegate to a committee (the "**Committee**") of the Board all or any of the powers conferred on the Board under this Plan. In such event, the Committee will exercise the powers delegated to it by the Board in the manner and on the terms authorized by the Board. Any decision made or action taken by the Committee arising out of or in connection with the administration or interpretation of this Plan in this context is final and conclusive.

The Board or the Committee may delegate or sub-delegate to any director or officer of the Corporation the whole or any part of the administration of this Plan and shall determine the scope of such delegation or sub-delegation in its sole discretion.

2.5 Discretionary Relief

Notwithstanding any other provision hereof, the Board may, in its sole discretion, waive any condition set out herein if it determines that specific individual circumstances warrant such waiver.

2.6 Amendment or Discontinuance of the Plan

(a) The Board may amend this Plan in any way, or discontinue this Plan altogether, and may amend, in any way, any RSU granted under this Plan at any time without the consent of a Participant, provided that such amendment shall not adversely alter or impair any RSU previously granted under the Plan or any related RSU Agreement, except as otherwise permitted hereunder and further provided that no amendment will cause the Plan or any RSU to cease to comply with paragraph (k) of the definition of "salary deferral arrangement" in subsection 248(1) of the *Income Tax Act* (Canada). In addition, the Board may, by resolution, make any amendment to this Plan or any RSU granted under it (together with any related RSU Agreement) without shareholder approval, provided however, that the Board will not be entitled to amend this Plan or any RSU granted under it without shareholder (disinterested shareholder approval if applicable) and, if applicable, TSXV approval, in order to: (i) increase the maximum number of Shares issuable pursuant to this Plan; (ii) cancel an RSU and subsequently issue to the holder of such RSU a new RSU in replacement thereof; (iii) extend the term of an RSU, but not beyond the Expiry Date; (iv) permit the assignment or transfer of an RSU other than as provided for in this Plan; (v) add to the categories of persons eligible to participate in this Plan; (vi) remove or amend Sections 4.4 (b), (c), (d) or (e) of this Plan; (vii) remove or amend this Section 2.6(a); or (viii) in any other circumstances where TSXV and shareholder approval is required by the TSXV. Any renewal of this Plan will be subject to disinterested shareholder approval, and TSXV approval as applicable.

(b) Without limitation of Section 2.6(a), the Board may correct any defect or supply any omission or reconcile any inconsistency in this Plan in the manner and to the extent deemed necessary or desirable, may establish, amend, and rescind any rules and regulations relating to this Plan, and may make such determinations as it deems necessary or desirable for the administration of this Plan.

(c) On termination of this Plan, any outstanding awards of RSUs under this Plan shall immediately vest and the Award Value underlying the RSUs shall be paid to the Participants in accordance with and upon compliance with Section 4.6. This Plan will finally cease to operate for all purposes when (i) the last remaining Participant receives payment in respect of the Award Value underlying all RSUs credited to the Participant's Account, or (ii) all unvested RSUs expire in accordance with the terms of this Plan and the relevant RSU Agreements.

2.7 Final Determination

Any determination or decision by, or opinion of, the Board, the Committee or a director or officer of the Corporation made or held pursuant to the terms set out herein shall be made or held reasonably and shall be final, conclusive and binding on all parties concerned, including, but not limited to, the Corporation, the Participants and their beneficiaries and legal representatives.

Subject to Section 2.5, all rights, entitlements and obligations of Participants under this Plan are set forth in the terms hereof and cannot be modified by any other documents, statements or communications, except by amendment to the terms set out herein referred to in Section 2.6.

2.8 Withholding Taxes

When a Participant or other person becomes entitled to receive a payment in respect of any RSUs, the Corporation or a member of the Real Group shall have the right to require the Participant or such other person to remit to the Corporation or to a member of the Real Group, as the case may be, an amount sufficient to satisfy any withholding tax requirements relating thereto. Unless otherwise prohibited by the Committee or by applicable law, satisfaction of the withholding tax obligation may be accomplished by any of the following methods or by a combination of such methods:

(a) the tendering by the Participant of a cash payment to the Corporation, or a member of the Real Group, as the case may be;

(b) where the Corporation has elected to issue Shares to the Participant, the withholding by the Corporation or a member of the Real Group, as the case may be, from the Shares otherwise deliverable to the Participant such number of Shares as it determines are required to be sold by the Corporation, or a member of the Real Group, as the case may be, as agent for and on behalf of the Participant, to satisfy the total withholding tax obligation (net of selling costs, which shall be paid by the Participant). The Participant consents to such sale and grants to the Corporation, or a member of the Real Group, as the case may be, an irrevocable power of attorney to effect the sale of such Shares and acknowledges and agrees that neither the Corporation nor any member of the Real Group accepts any responsibility for the price obtained on the sale of such Shares; or

(c) the withholding by the Corporation or a member of the Real Group, as the case may be, from any cash payment otherwise due to the Participant;

provided, however, that the sum of any cash so paid or withheld and the Fair Market Value of any Shares so withheld is sufficient to satisfy the total withholding tax obligation. Any reference in this Plan to the Award Value or payment of cash or issuance of Shares in settlement thereof is expressly subject to this Section 2.8.

2.9 Taxes

Participants (or their beneficiaries) shall be responsible for reporting and paying all taxes with respect to any RSUs under the Plan, whether arising as a result of the grant or vesting of RSUs or otherwise. Neither the Corporation nor the Board make any guarantees to any person regarding the tax treatment of an RSU or payments made under the Plan and none of the Corporation or any of its employees or representatives shall have any liability to a Participant with respect thereto. In the event the Corporation applies in a local jurisdiction for a favourable and/or reduced tax route in such jurisdiction, and if the Plan or the grant fails to qualify for this reduced tax route, for any reason, the Participant in this jurisdiction shall bear the full responsibility for the taxes and the Corporation shall bear no liability what so ever to the Participant for such tax treatment. The Corporation will provide each Participant with (or cause each Participant to be provided with) a T4 slip or such information return as may be required by applicable law to report income, if any, arising upon the grant or vesting of rights under this Plan by a Participant for income tax purposes.

2.10 Information

Each Participant shall provide the Corporation with all of the information (including personal information) that it requires in order to administer this Plan.

2.11 Account Information

Information pertaining to the RSUs in Participants' Accounts will be made available to the Participants at least annually in such manner as the Corporation may determine and shall include such matters as the Board or the Committee may determine from time to time or as otherwise may be required by law.

2.12 Indemnification

Each member of the Board or Committee is indemnified and held harmless by the Corporation against any cost or expense (including any sum paid in settlement of a claim with the approval of the Corporation) arising out of any act or omission to act in connection with the terms hereof to the extent permitted by applicable law. This indemnification is in addition to any rights of indemnification a Board or Committee member may have as director or otherwise under the by-laws of the Corporation, any agreement, any vote of shareholders, or disinterested directors, or otherwise.

ARTICLE III
ELIGIBILITY AND PARTICIPATION IN THE PLAN

3.1 Participation

The Board, in its sole discretion, shall determine, or shall delegate to the Committee the authority to determine, which Participants will participate in this Plan.

3.2 RSU Agreement

A Participant shall confirm acknowledgement of an award of RSUs made to such Participant in such form as determined by the Board from time to time (the "**RSU Agreement**"), within such time period and in such manner as specified by the Board. If acknowledgement of an award of RSUs is not confirmed by a Participant within the time specified, the Corporation reserves the right to revoke the crediting of RSUs to the Participant's Account.

3.3 Participant's Agreement to be Bound

Participation in this Plan by any Participant shall be construed as irrevocable acceptance by the Participant of the terms and conditions set out herein and all rules and procedures adopted hereunder and as amended from time to time.

ARTICLE IV TERMS OF THE PLAN

4.1 Grant of RSUs

Subject to Section 3.2, an award of RSUs pursuant to this Plan will be made and the number of such RSUs awarded will be credited to each Participant's Account, effective as of the Award Date. The number of RSUs to be credited to each Participant's Account shall be determined by the Board, or the Committee delegated by the Board to do so, each in its sole discretion.

4.2 Credits for Dividends

Following the declaration and payment of dividends on the Shares, the Board may, in its absolute discretion, determine to make a cash payment to a Participant in respect of outstanding vested RSUs credited to the Participant's Account and subject to the Participant providing an executed exercise notice (a "**Dividend Equivalent**"). Such Dividend Equivalent, if any, shall be computed by dividing: (a) the amount obtained by multiplying the amount of the dividend declared and paid per Share by the number of RSUs recorded in the Participant's Account on the record date for the payment of such dividend, by (b) the Dividend Market Value, with fractions computed to three decimal places. Payment of any such Dividend Equivalent will be made forthwith following any such determination by the Board and in any event within thirty (30) days of such determination.

4.3 Vesting

The Board or the Committee may, in its sole discretion, determine the time during which RSUs shall vest (except that no RSU, or portion thereof, may vest after the Expiry Date) and whether there shall be any other conditions or performance criteria to vesting. Notwithstanding the foregoing, the Committee may, at its sole discretion at any time or in the RSU Agreement in respect of any RSUs granted, accelerate or provide for the acceleration of vesting in whole or in part of RSUs previously granted. The Award Value of any RSU shall be determined as of the applicable Vesting Date.

4.4 Limits on Issuances

Notwithstanding any other provision of this Plan:

(a) the maximum number of Shares issuable pursuant to RSUs under this Plan shall be limited to 28,267,516 (being 20% of the issued and outstanding Shares as at July 16, 2020), less the number of Shares issuable pursuant to all other Security Based Compensation Arrangements;

(b) the number of Shares reserved for issuance to any one Participant retained as a consultant to provide services to any of the entities comprising the Real Group under all Security Based Compensation Arrangements in any 12 month period shall not exceed 2% of the issued and outstanding Shares;

(c) unless the Corporation has received disinterested shareholder approval to do so, the number of Shares reserved for issuance to any one Participant under all Security Based Compensation Arrangements in any 12 month period will not exceed 5% of the issued and outstanding Shares calculated as at the date of the grant to such Participant;

(d) unless the Corporation has received disinterested shareholder approval to do so the number of Shares issuable to Insiders, at any time, under all Security Based Compensation Arrangements, shall not exceed 10% of the issued and outstanding Shares; and

(e) unless the Corporation has received disinterested shareholder approval to do so the number of Shares issued to Insiders, within any one year period, under all Security Based Compensation Arrangements, shall not exceed 10% of the issued and outstanding Shares calculated at the date of the grant to any Insider.

For the purposes of this Section 4.4, any increase in the issued and outstanding Shares (whether as a result of the issue of Shares from treasury in settlement of the Award Value underlying vested RSUs or otherwise) will not increase the number of Shares that may be issued pursuant to this Plan. Shares issued from treasury in settlement of an Award Value underlying vested RSUs will not become available for grant under this Plan.

RSUs (or the Award Value thereof) that are cancelled, surrendered, terminated or that expire prior to the final Vesting Date or in respect of which the Corporation has not elected to issue Shares from treasury in respect thereof shall result in such Shares that were reserved for issuance thereunder being available to be issued, at the election of Corporation, in respect of a subsequent grant of RSUs pursuant to this Plan to the extent of any Shares which have not been issued from treasury in respect of any such RSU.

For purposes of the calculations in this Section 4.5 only, it shall be assumed that all issued and outstanding RSUs will be settled by the issuance of Shares from treasury, notwithstanding the Corporation's right pursuant to Section 4.6 to settle the Award Value underlying vested RSUs in cash (if applicable) or by purchasing Shares on the open market.

In addition to the terms set out herein, the administration and limitations of this Plan will be subject to the provisions of TSXV Policy 4.4 - *Incentive Stock Options*, as applicable.

4.5 RSU Terms

The term during which a RSU may be outstanding shall, subject to the provisions of this Plan requiring or permitting the acceleration or the extension of the term, be such period as may be determined from time to time by the Board or the Committee, but subject to the rules of any stock exchange or other regulatory body having jurisdiction (but in no case shall the term of an RSU extend beyond the Expiry Date).

In addition, unless otherwise determined by the Board or the Committee, or unless the Corporation and a Participant agree otherwise in an RSU Agreement or other written agreement (including an employment or consulting agreement), each RSU shall provide that if a Participant shall cease to be a director or officer of or be in the employ of, or a consultant or other Participant to, any of the entities comprising the Real Group for any reason whatsoever including, without limitation, retirement, resignation or involuntary termination (with or without cause), as determined by the Board in its sole discretion, before all of the awards respecting RSUs credited to the Participant's Account have vested or are forfeited pursuant to any other provision hereof, (i) such Participant shall cease to be a Participant as of the Forfeiture Date, (ii) the former Participant shall forfeit all unvested awards respecting RSUs credited to the Participant's Account effective as at the Forfeiture Date, (iii) any Award Value corresponding to any vested RSUs remaining unpaid as of the Forfeiture Date shall be paid to the former Participant in accordance with Section 4.6, and (iv) the former Participant shall not be entitled to any further payment from this Plan.

Notwithstanding the preceding paragraph or anything else contained in this Plan to the contrary, unless otherwise determined by the Board or the Committee, or unless the Corporation and a Participant agree otherwise in an RSU Agreement or other written agreement (including an employment or consulting agreement), if a Participant shall cease to be a director or officer of or be in the employ of, or a consultant or other Participant to, any of the entities comprising the Real Group due to the death of the Participant, any unvested RSUs in the deceased Participant's Account effective as at the time of the Participant's death shall be deemed to have vested immediately prior to the Forfeiture Date with the result that the deceased Participant shall not forfeit any unvested RSUs and the Award Value corresponding to all RSUs credited to such Participant's Account shall be paid to the legal representative of the deceased former Participant's estate in accordance with Section 4.6 after receipt of satisfactory evidence of the Participant's death from the authorized legal representative of the deceased Participant.

Where a Vesting Date occurs on a date when a Participant is subject to a Black-Out Period, such Vesting Date shall be extended to a date which is within ten (10) business days following the end of such Black-Out Period, and further provided that (i) if any such extension would cause the Vesting Date or Vesting Dates to extend beyond the Expiry Date, the amounts to be paid on such Vesting Date or Vesting Dates shall be paid on the Expiry Date notwithstanding the Black-Out Period, and (ii) if a Forfeiture Date occurs in respect of a Participant after the original Vesting Date then any unvested RSUs credited to the Participant's Account effective as of the Forfeiture Date that would have vested as of the original Vesting Date but for the Black-Out Period, shall be deemed to have vested immediately prior to the Forfeiture Date, but, subject to subparagraph (i), the Award Value of any such-vested RSUs shall be determined as of the Vesting Date as so extended by the provisions above, and any payment thereof shall be made only after such determination.

This Plan does not confer upon a Participant any right with respect to continuation of employment by or service provision to any of the entities comprising the Real Group, nor does it interfere in any way with the right of the Participant or any of the entities comprising the Real Group to terminate the Participant's employment or service provision at any time.

4.6 Payment in Respect of RSUs

On the Vesting Date, the Corporation, at its sole and absolute discretion, shall have the option of settling the Award Value payable in respect of an RSU by any of the following methods or by a combination of such methods:

(a) payment in cash

(b) payment in Shares acquired by the Corporation on the Exchange; or

(c) payment in Shares issued from the treasury of the Corporation.

The Corporation shall not determine whether the payment method shall take the form of cash (if applicable) or Shares until the Vesting Date, or some reasonable time prior thereto. A holder of RSUs shall not have any right to demand, be paid in, or receive Shares in respect of the Award Value underlying any RSU at any time. Notwithstanding any election by the Corporation to settle the Award Value of any vested RSUs, or portion thereof, in Shares, the Corporation reserves the right to change its election in respect thereof at any time up until payment is actually made, and the holder of such vested RSUs shall not have the right, at any time to enforce settlement in the form of Shares of the Corporation.

Any amount payable to a Participant in respect of vested RSUs shall be paid to the Participant as soon as practicable following the Vesting Date and in any event within thirty (30) days of the Vesting Date and prior to the Outside Payment Date (provided that any amount payable with respect to a Vesting Date that occurs after the Forfeiture Date, but before the RSU has terminated in accordance with an applicable provision of Section 4.6, must occur not later than the Expiry Date).

Where the Corporation elects to pay any amounts pursuant to vested RSUs by issuing Shares, and the determination of the number of Shares to be delivered to a Participant in respect of a particular Vesting Date would result in the issuance of a fractional Share, the number of Shares deliverable on the Vesting Date shall be rounded down to the next whole number of Shares. No certificates representing fractional Shares shall be delivered pursuant to this Plan nor shall any cash amount be paid at any time in lieu of any such fractional interest.

ARTICLE V
EFFECT OF CORPORATE EVENTS

5.1 Alterations in Shares

In the event:

(a) of any change in the Shares through subdivision, consolidation, reclassification, amalgamation, merger or otherwise; or

(b) that any rights are granted to all or substantially all shareholders to purchase Shares at prices substantially below Fair Market Value; or

(c) that, as a result of any recapitalization, merger, consolidation or other transaction, the Shares are converted into or exchangeable for any other securities or property;

then the Board may make such adjustments to this Plan, to any RSUs and to any RSU Agreements outstanding under this Plan as the Board may, in its sole discretion, consider appropriate in the circumstances to prevent dilution or enlargement of amounts to be paid to Participants hereunder.

5.2 Merger and Sale, etc.

Except in the case of a transaction that is a Change of Control and to which Section 5.3 applies, if the Corporation enters into any transaction or series of transactions whereby the Corporation or all or substantially all of the assets would become the property of any other trust, body corporate, partnership or other person (a **"Successor"**), whether by way of takeover bid, acquisition, reorganization, consolidation, amalgamation, arrangement, merger, transfer, sale or otherwise, prior to or contemporaneously with the consummation of such transaction the Corporation and the Successor will execute such instruments and do such things as the Board or the Committee may determine are necessary to establish that upon the consummation of such transaction the Successor will assume the covenants and obligations of the Corporation under this Plan and the RSU Agreements outstanding on consummation of such transaction. Any such Successor shall succeed to, and be substituted for, and may exercise every right and power of the Corporation under this Plan and RSU Agreements with the same effect as though the Successor had been named as the Corporation herein and therein and thereafter, the Corporation shall be relieved of all obligations and covenants under this Plan and such RSU Agreements and the obligation of the Corporation to the Participants in respect of the RSUs shall terminate and be at an end and the Participants shall cease to have any further rights in respect thereof including, without limitation, any right to acquire Shares upon vesting of the RSUs.

5.3 Change of Control

Notwithstanding any other provision in this Plan but subject to any provision to the contrary contained in an RSU Agreement or other written agreement (such as an agreement of employment) between the Corporation and a Participant, if there takes place a Change of Control, the Board or the Committee shall have the absolute discretion to determine if all issued and outstanding RSUs shall vest (whether or not then vested) upon the Change of Control and the Vesting Date shall be the date which is immediately prior to the time such Change of Control takes place, or at such earlier time as may be established by the Board or the Committee, in its absolute discretion, prior to the time such Change of Control takes place.

ARTICLE VI GENERAL

6.1 Compliance with Laws

The Corporation, in its sole discretion, may postpone the issuance or delivery of any Shares that it elects to issue pursuant to any RSU to such date as the Committee may consider appropriate, and may require any Participant to make such representations and furnish such information as it may consider appropriate in connection with the issuance or delivery of Shares in compliance with applicable laws, rules and regulations, except that in no event may the issuance of such Shares in respect of a RSU occur after the Outside Payment Date. The Corporation shall not be required to qualify for resale pursuant to a prospectus or similar document any Shares that it elects to issue pursuant to the Plan, provided that, if required, the Corporation shall notify the Exchange and any other appropriate regulatory bodies in Canada and the United States of the existence of the Plan and the granting of RSUs hereunder in accordance with any such requirements.

6.2 General Restrictions and Assignment

Except as required by law, the rights of a Participant hereunder are not capable of being assigned, transferred, alienated, sold, encumbered, pledged, mortgaged or charged and are not capable of being subject to attachment or legal process for the payment of any debts or obligations of the Participant.

The rights and obligations hereunder may be assigned by the Corporation to a Successor to the business of the Corporation.

6.3 Market Fluctuations

No amount will be paid to, or in respect of, a Participant under this Plan to compensate for a downward fluctuation in the price of Shares, nor will any other form of benefit be conferred upon, or in respect of, a Participant for such purpose. The Plan will be unfunded.

The Corporation makes no representations or warranties to Participants with respect to this Plan or the RSUs whatsoever. Participants are expressly advised that the value of any RSUs and Shares under this Plan will fluctuate as the trading price of Shares fluctuates.

In seeking the benefits of participation in this Plan, a Participant agrees to exclusively accept all risks associated with a decline in the market price of Shares and all other risks associated with the holding of RSUs.

6.4 No Shareholder Rights

Until Shares have actually been issued and delivered should the Corporation elect to so issue Shares in accordance with the terms of the Plan, a Participant to whom RSUs have been granted shall not possess any incidents of ownership of such Shares including, for greater certainty and without limitation, the right to receive dividends, if any, on such Shares and the right to exercise voting rights in respect of such Shares.

6.5 Section 409A

This Plan, the RSUs and payments made to U.S. Participants pursuant to this Plan are intended to comply with, or qualify for an exemption from, the requirements of Section 409A of the Code and shall be construed consistently therewith and shall be interpreted in a manner consistent with that intention. Terms defined in this Plan shall have the meanings given to such terms under Section 409A of the Code if and to the extent required to comply with Section 409A. Notwithstanding any other provision of this Plan, the Corporation reserves the right, to the extent it deems necessary or advisable, in its sole discretion, to unilaterally amend the Plan to ensure that all RSUs issued to U.S. Participants are awarded in a manner that qualifies for exemption from, or complies with, Section 409A, provided, however, that the Corporation makes no undertaking to preclude Section 409A from applying to an award of RSUs, and the U.S. Participant or his or her estate, as the case may be, is and shall at all times be solely responsible for the payment of all taxes and penalties under Section 409A. The Corporation, its affiliates, directors, officers and agents shall have no liability to a U.S. Participant, or any other party, if an RSU that is intended to be exempt from, or compliant with, Section 409A is not so exempt or compliant, or for any action taken by the Committee.

6.6 Governing Law

The validity, construction and effect of this Plan and any actions taken or relating to this Plan shall be governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein.

6.7 Currency

All amounts paid or values to be determined under this Plan shall be in Canadian dollars.

6.8 Severability

The invalidity or unenforceability of any provision of this document shall not affect the validity or enforceability of any other provision and any invalid or unenforceable provision shall be severed from this document.

6.9 Effective Time

This Plan shall be effective as of August 20, 2020.

THE REAL BROKERAGE INC.

Computershare

8th Floor, 100 University Avenue
Toronto, Ontario M5J 2Y1
www.computershare.com

Security Class

Holder Account Number

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Form of Proxy - Annual General and Special Meeting to be held on Thursday, August 20, 2020

This Form of Proxy is solicited by and on behalf of Management.

Notes to proxy

1. **Every holder has the right to appoint some other person or company of their choice, who need not be a holder, to attend and act on their behalf at the meeting or any adjournment or postponement thereof. If you wish to appoint a person or company other than the persons whose names are printed herein, please insert the name of your chosen proxyholder in the space provided (see reverse).**
2. If the securities are registered in the name of more than one owner (for example, joint ownership, trustees, executors, etc.), then all those registered should sign this proxy. If you are voting on behalf of a corporation or another individual you must sign this proxy with signing capacity stated, and you may be required to provide documentation evidencing your power to sign this proxy.
3. This proxy should be signed in the exact manner as the name(s) appear(s) on the proxy.
4. If this proxy is not dated, it will be deemed to bear the date on which it is mailed by Management to the holder.
5. **The securities represented by this proxy will be voted as directed by the holder, however, if such a direction is not made in respect of any matter, this proxy will be voted as recommended by Management.**
6. The securities represented by this proxy will be voted in favour or withheld from voting or voted against each of the matters described herein, as applicable, in accordance with the instructions of the holder, on any ballot that may be called for and, if the holder has specified a choice with respect to any matter to be acted on, the securities will be voted accordingly.
7. This proxy confers discretionary authority in respect of amendments or variations to matters identified in the Notice of Meeting or other matters that may properly come before the meeting or any adjournment or postponement thereof.
8. This proxy should be read in conjunction with the accompanying documentation provided by Management.

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Proxies submitted must be received by 10:00 a.m., EDT, on Tuesday, August 18, 2020.

VOTE USING THE TELEPHONE OR INTERNET 24 HOURS A DAY 7 DAYS A WEEK!

To Vote Using the Telephone

- Call the number listed BELOW from a touch tone telephone.

1-866-732-VOTE (8683) Toll Free

To Vote Using the Internet

- Go to the following web site: www.investorvote.com
- **Smartphone?** Scan the QR code to vote now.

If you vote by telephone or the Internet, DO NOT mail back this proxy.

Voting by mail may be the only method for securities held in the name of a corporation or securities being voted on behalf of another individual.
Voting by mail or by Internet are the only methods by which a holder may appoint a person as proxyholder other than the Management nominees named on the reverse of this proxy. Instead of mailing this proxy, you may choose one of the two voting methods outlined above to vote this proxy.

To vote by telephone or the Internet, you will need to provide your CONTROL NUMBER listed below.

CONTROL NUMBER

Appointment of Proxyholder

I/We being holder(s) of The Real Brokerage Inc. hereby appoint: Laurence Rose, Director, or failing him, Jason Saltzman, Legal Counsel

OR

Print the name of the person you are appointing if this person is someone other than the Management Nominees listed herein.

as my/our proxyholder with full power of substitution and to attend, act and to vote for and on behalf of the shareholder in accordance with the following direction (or if no directions have been given, as the proxyholder sees fit) and all other matters that may properly come before the Annual General and Special Meeting of shareholders of The Real Brokerage Inc. to be held at 133 Richmond Street West, Suite 302, Toronto, Ontario on Thursday, August 20, 2020 at 10:00 a.m., EDT and at any adjournment or postponement thereof.

VOTING RECOMMENDATIONS ARE INDICATED BY HIGHLIGHTED TEXT OVER THE BOXES.

	For	Against
1. **Number of Directors** To set the number of Directors at four.	☐	☐

Fold

2. **Election of Directors**	For	Withhold		For	Withhold		For	Withhold
01. Tamir Poleg	☐	☐	02. Guy Gamzu	☐	☐	03. Larry Klane	☐	☐
04. Laurence Rose	☐	☐						

	For	Withhold
3. **Appointment of Auditors** Appointment of Brightman Almagor Zohar & Co. as Auditors of the Corporation for the ensuing year and authorizing the Directors to fix their remuneration.	☐	☐

	For	Against
4. **Approval of Amended and Restated Stock Option Plan** To consider, and, if deemed appropriate, to pass, with or without variation, an ordinary resolution of disinterested shareholders approving the amended and restated stock option plan of the Corporation, the full text of which is set out in the accompanying management information circular (the "Circular").	☐	☐
5. **Approval of Restricted Share Unit Plan** To consider, and, if deemed appropriate, to pass, with or without variation, an ordinary resolution of disinterested shareholders approving the restricted share unit plan of the Corporation, the full text of which is set out in the accompanying Circular.	☐	☐

Fold

Authorized Signature(s) - This section must be completed for your instructions to be executed.

I/We authorize you to act in accordance with my/our instructions set out above. I/We hereby revoke any proxy previously given with respect to the Meeting. **If no voting instructions are indicated above, this Proxy will be voted as recommended by Management.**

Signature(s)

Date

DD / MM / YY

Interim Financial Statements - Mark this box if you would like to receive Interim Financial Statements and accompanying Management's Discussion and Analysis by mail. ☐

Annual Financial Statements - Mark this box if you would like to receive the Annual Financial Statements and accompanying Management's Discussion and Analysis by mail. ☐

If you are not mailing back your proxy, you may register online to receive the above financial report(s) by mail at www.computershare.com/mailinglist.

VDLQ 312739 AR1

The Real Brokerage To Commence Trading Today on the OTCQX Market

NEWS PROVIDED BY
The Real Brokerage Inc. →
Aug 11, 2020, 07:35 ET

TORONTO and NEW YORK, Aug. 11, 2020 /PRNewswire/ -- The Real Brokerage Inc. (TSXV: REAX) (OTCQX: REAXF), a national, technology-powered real estate brokerage in the U.S., announced that its common shares have been approved for listing by OTC Markets Group and will commence trading today on the OTCQX Best Market under the symbol "REAXF". The common shares will continue to trade on the TSX Venture Exchange under the symbol "REAX".

The Real Brokerage Inc. is the parent company of Real Technology Broker Ltd. and its US subsidiaries, (collectively "Real"). Founded in 2014, Real is a fast-growing, technology-powered real estate brokerage.

"We're excited to debut on OTCQX to improve the trading opportunities for our agents and increase exposure to US investors," said Tamir Poleg, co-founder and CEO of Real.

Real's business model and growth have been broadly recognized. Real was named as an Inc. 500 fastest-growing private company in 2019, a Real Trends 500 top brokerage firm in 2020, and was recognized on the Financial Times Americas' Fastest Growing Companies list in 2020.

U.S. investors can find current financial disclosure and Real-Time Level 2 quotes for the company on otcmarkets.com/stock/REAXF.

About Real
Real (www.joinreal.com) is a technology-powered real estate brokerage in 20 US states and the District of Columbia. Real is on a mission to make agents' lives better, creating financial opportunities for agents through higher commission splits, best-in-class technology, revenue sharing and equity incentives.

Contact Information
For more details, please contact:
The Real Brokerage Inc.
Lynda Radosevich
lynda@joinreal.com
917-922-7020

Forward-Looking Information
This press release contains forward-looking information within the meaning of applicable Canadian securities laws. Forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "expect", "likely" and "intend" and statements that an event or result "may", "will", "should", "could" or "might" occur or be achieved and other similar expressions. These statements reflect management's current beliefs and are based on information currently available to management as at the date hereof. Forward- looking information in this press release includes, without limiting the foregoing, information relating to the commencement of trading of Real's common shares on the OTCQX Best Market.

Forward-looking information is based on assumptions that may prove to be incorrect, including but not limited to Real's business objectives, expected growth, results of operations, performance, business projects and opportunities and financial results. Real considers these assumptions to be reasonable in the circumstances. However, forward-looking information is subject to known and unknown risks, uncertainties and other factors that could cause actual results, performance or achievements to differ materially from those expressed or implied in the forward-looking information. These factors should be carefully considered and readers should not place undue reliance on the forward-looking statements. Although the forward-looking statements contained in this press release are based upon what management believes to be reasonable assumptions, Real cannot assure readers that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this press release, and Real assumes no obligation to update or revise them to reflect new events or circumstances, except as required by law.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

SOURCE The Real Brokerage Inc.

Related Links http://www.joinreal.com

The Real Brokerage Announces Closing of Private Placement

NEWS PROVIDED BY
The Real Brokerage Inc. →
Aug 12, 2020, 09:39 ET

TORONTO and NEW YORK, Aug. 12, 2020 /PRNewswire/ -- The Real Brokerage Inc. (TSXV: REAX) (OTCQX: REAXF) ("Real"), a national, technology-powered real estate brokerage in the United States of America, is pleased to announce that it has closed a non-brokered private placement offering of 1,900,000 common shares of Real (the "Common Shares") at a price of $0.35 per Common Share for aggregate gross proceeds of $665,000 (the "Offering"). Real intends to use the proceeds of the Offering for sales, marketing and general working capital purposes.

All Common Shares issued pursuant to the Offering will be subject to a four month statutory hold period commencing from the closing date under applicable securities laws. All Common Shares issued pursuant to the Offering are also subject to a six month contractual lock-up. The Offering is subject to final acceptance by the TSX Venture Exchange of requisite regulatory filings.

About Real
Real (www.joinreal.com) is a technology-powered real estate brokerage in 20 US states and the District of Columbia. Real is on a mission to make agents' lives better, creating financial opportunities for agents through higher commission splits, best-in-class technology, revenue sharing and equity incentives.

Contact Information
For more details, please contact:
The Real Brokerage Inc.
Lynda Radosevich
lynda@joinreal.com
917-922-7020

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Forward-looking information is based on assumptions that may prove to be incorrect, including but not limited to Real's business objectives, expected growth, results of operations, performance, business projects and opportunities and financial results. Real considers these assumptions to be reasonable in the circumstances. However, forward-looking information is subject to known and unknown risks, uncertainties and other factors that could cause actual results, performance or achievements to differ materially from those expressed or implied in the forward-looking information. These factors should be carefully considered and readers should not place undue reliance on the forward-looking statements. Although the forward-looking statements contained in this press release are based upon what management believes to be reasonable assumptions, Real cannot assure readers that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this press release, and Real assumes no obligation to update or revise them to reflect new events or circumstances, except as required by law.

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Related Links
http://www.joinreal.com

FORM 51-102F3

MATERIAL CHANGE REPORT

***Item 1* — Name and Address of Company**

The Real Brokerage Inc. (the "Corporation")
133 Richmond Street West
Suite 302
Toronto, Ontario
M5H 2L3

***Item 2* — Date of Material Change**

The date of the material change was August 11, 2020

***Item 3* — News Release**

A news release disclosing the material change was disseminated by the Corporation through the services of PRNewswire on August 12, 2020 and was subsequently filed on SEDAR.

***Item 4* — Summary of Material Change**

The Corporation closed a non-brokered private placement offering of common shares of the Corporation for aggregate proceeds of $665,000.

***Item 5* — Full Description of Material Change**

5.1 – Full Description of Material Change

The Corporation announced the closing of its non-brokered private placement offering of 1,900,000 common shares of the Corporation (the "Common Shares") at a price of $0.35 per Common Share for aggregate proceeds of $665,000 (the "Offering").

All Common Shares issued pursuant to the Offering will be subject to a four month statutory hold period commencing from the closing date under applicable securities laws. All Common Shares issued pursuant to the Offering are also subject to a six month contractual lock-up. The Offering is subject to final acceptance by the TSX Venture Exchange of requisite regulatory filings.

The Corporation intends to use the proceeds of the Offering for sales, marketing and general working capital purposes.

5.2 – Disclosure for Restructuring Transactions

Not applicable.

***Item 6* — Reliance on subsection 7.1(2) of National Instrument 51-102**

Not applicable.

***Item 7* — Omitted Information**

Not applicable.

***Item 8* — Executive Officer**

Tamir Poleg, Chief Executive Officer 646-469-7107

***Item 9* — Date of Report**

August 13, 2020

Real Welcomes Finance and Operations Leaders to the Executive Team

TORONTO and NEW YORK, August 25, 2020 /PRNewswire/ -- The Real Brokerage Inc. (TSXV: REAX) (OTCQX: REAXF) ("Real"), a national, technology-powered real estate brokerage in the United States of America ("U.S."), is pleased to announce that Michelle Ressler has joined the company's executive team as Vice President of Finance and real estate leaders Sheila Dunagan and Ron Dunagan have joined as Vice President of Brokerage Operations and Director of Operations, respectively, with the goal of scaling Real's finance and operations functions. Michelle Ressler's and Sheila Dunagan's appointments are subject to the approval of the TSX Venture Exchange.

"I am excited by the opportunity to scale a company that is growing as quickly as Real and to help improve agents' financial experience through better terms, faster payment and more transparency," said Michell Ressler.

"Real's high service level is amazing for a brokerage of this size, and the dedication to putting as much money as possible into agents hands is unique among brokerages," said Sheila Dunagan. "We definitely want to be part of positioning this company's agents to flourish."

Prior to joining Real, Michelle was the controller at Canaccord Genuity Inc., where she helped scale financial operations following a merger and grew the finance department.

Based in Dallas, Texas, Sheila and Ron Dunagan bring to Real decades of experience in residential real estate and operational excellence in high-growth companies. Most recently, Sheila was the designated broker for the state of Texas at eXp Realty, LLC ("eXp"), and Ron was regional operations manager for the western U.S. at eXp. In their respective roles, the Dunagans helped grow Texas from 2 agents in 2015 to over 4,100 in 2020, with over 32,000 transactions and $6.4 billion in closed sales volume in 2019. Prior to eXp, the Dunagans were agents at Keller Williams, where they were members of the agent leadership counsel. Sheila Dunagan also owned and operated an insurance company that doubled year-over-year revenue three years in a row.

"I am extremely excited to welcome Michelle, Sheila and Ron to our team. Their extensive experience in scaling finance and brokerage operations as well as their focus on agent experience will benefit Real and our agents as we grow and expand," said Tamir Poleg, co- founder and CEO of Real. "I am honored that such highly accomplished individuals recognize the opportunity in becoming a part of our team."

"Agents' everyday brokerage experience is based on the people: Are they pleasant? Do they have my interests at heart?," said Ron Dunagan. "The answer is 'yes' and 'yes' with Real. We want the agents to have well thought-out processes that deliver a smooth, seamless experience."

In connection with their appointments, Real granted 120,000 stock options to Michelle Ressler and 150,000 stock options to Ron and Sheila Dunagan, all exercisable for common shares of the company (the "Options"). The Options are exercisable at a price of $0.95 CAD per common share for a period of ten years from the date of issuance.

About Real

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SOURCE The Real Brokerage Inc.

The Real Brokerage Inc.

(formerly ADL Ventures Inc.)

Interim Condensed Consolidated Financial Statements

June 30, 2020

(Unaudited)

Table of Contents

	Note	June 30, 2020	December 31, 2019
Assets			
Cash	11	**1,748**	53
Restricted cash	11	**43**	43
Trade receivables	10	**82**	56
Other receivables		**31**	10
Prepaid expenses and deposits		**33**	33
Current assets		**1,937**	195
Property and equipment	12	**1**	1
Right-of-use assets	12	**232**	212
Non-current assets		**233**	213
Total assets		**2,170**	408
Liabilities			
Accounts payable and accrued liabilities		**981**	336
Other payables		**38**	40
Lease liabilities	16	**85**	122
Current liabilities		**1,104**	498
Lease liabilities	16	**170**	100
Loans and borrowings	14	**172**	-
Preferred shares	13	**-**	11,750
Non-current liabilities		**342**	11,850
Total liabilities		**1,446**	12,348
Deficit			
Share capital	13	**15,507**	1,187
Share premium	13	**78**	78
Stock-based compensation reserve		**1,819**	1,622
Deficit		**(16,680)**	(14,827)
Total deficit		**724**	(11,940)
Total liabilities and deficit		**2,170**	408
Commitments and contingencies	18		
Subsequent events	20		

Approved by the Board of Directors:

Tamir Poleg
Director

Guy Gamzu
Director

The notes are an integral part of these unaudited interim condensed consolidated financial statements.

		Three months ended June 30,		Six months ended June 30,	
	Note	**2020**	**2019**	**2020**	**2019**
Revenue	*6*	**2,594**	3,466	**5,530**	8,261
Cost of sales	*7*	**2,313**	2,877	**4,865**	7,310
Gross profit		**281**	589	**665**	951
Administrative expenses	*7*	**482**	733	**1,266**	1,405
Selling expenses	*7*	**209**	145	**361**	251
Research and development expenses	*7*	**49**	67	**72**	159
Other income		**(1)**	-	**(1)**	-
Operating loss		**(458)**	(356)	**(1,033)**	(864)
Listing expenses	*5*	**803**	-	**803**	-
Finance costs		**15**	2	**17**	3
Loss before tax		**(1,276)**	(358)	**(1,853)**	(867)
Total loss and comprehensive loss		**(1,276)**	(358)	**(1,853)**	(867)
Earnings per share					
Basic and diluted loss per share	*8*	**(0.008)**	(0.009)	**(0.014)**	(0.021)

The notes are an integral part of these unaudited interim condensed consolidated financial statements.

	Note	Share capital	Share premium	Stock-based compensation reserve	Deficit	Total equity
Balance, at January 1, 2019		1,187	78	1,134	(12,576)	(10,177)
Total loss and comprehensive loss		-	-	-	(867)	(867)
Equity-settled share-based payment		-	-	244	-	244
Balance, at June 30, 2019		1,187	78	1,378	(13,443)	(10,800)
Balance, at January 1, 2020		**1,187**	**78**	**1,622**	**(14,827)**	**(11,940)**
Total loss and comprehensive loss		-	-	-	**(1,853)**	**(1,853)**
Shares issued to former ADL shareholders	*5*	**271**	-	-	-	**271**
Increase in ADL shares and options	*5 (i)*	**459**	-	-	-	**459**
Shares issued via private placement	*5 (ii)*	**1,588**	-	-	-	**1,588**
Conversion of series A preferred shares	*5 (iv)*	**11,750**	-	-	-	**11,750**
Conversion of convertible debt	*5 (v)*	**250**	-	-	-	**250**
Exercise of stock options	*9*	**2**	-	-	-	**2**
Equity-settled share-based payment		-	-	**197**	-	**197**
Balance, at June 30, 2020		**15,507**	**78**	**1,819**	**(16,680)**	**724**

The notes are an integral part of these unaudited interim condensed consolidated financial statements.

	Three months ended June 30,		Six months ended June 30,	
	2020	**2019**	**2020**	**2019**
Cash flows from operating activities				
Loss for the period	**(1,276)**	(358)	**(1,853)**	(867)
Adjustments for:				
– Depreciation	**22**	31	**49**	68
– Equity-settled share-based payment transactions	**(15)**	122	**197**	244
– Listing expenses	**459**	-	**459**	-
– Finance costs and other	**1**	64	**(4)**	37
	(809)	(140)	**(1,152)**	(518)
Changes in:				
– Trade receivables	**131**	(65)	**(26)**	(186)
– Other receivables	**(21)**	11	**(21)**	9
– Prepaid expenses and deposits	**1**	(21)	**-**	(24)
– Accounts payable and accrued liabilities	**73**	101	**595**	97
– Other payables	**8**	54	**(2)**	42
Net cash used in operating activities	**(617)**	(59)	**(606)**	(580)
Cash flows from investing activity				
Purchase of property and equipment	**-**	(56)	**-**	(56)
Net cash used in investing activity	**-**	(56)	**-**	(56)
Cash flows from financing activities				
Proceeds from private placement	**1,588**	-	**1,588**	-
Additional proceeds from Qualifying Transaction	**321**	-	**321**	-
Proceeds from issuance of convertible debt	**250**	-	**250**	-
Proceeds from loans and borrowings	**172**	-	**172**	-
Proceeds from issuance of preferred shares	**-**	700	**-**	700
Payment of lease liabilities	**(18)**	(75)	**(33)**	(75)
Net cash provided by financing activities	**2,313**	625	**2,298**	625
Net change in cash and cash equivalents	**1,696**	509	**1,692**	(12)
Cash, beginning of period	**53**	143	**53**	661
Effect of movements in exchange rates on cash held	**(1)**	9	**3**	12
Cash, end of period	**1,748**	661	**1,748**	661
Non-cash transactions				
Conversion of series A preferred shares	**11,750**	-	**11,750**	-
Conversion of convertible debt	**250**	-	**250**	-

The notes are an integral part of these unaudited interim condensed consolidated financial statements.

1. General information

The Real Brokerage Inc. (formerly ADL Ventures Inc.) ("Real" or the "Company") is a technology-powered real estate brokerage firm, licensed in over 20 states with over 1,100 agents. Real offers agents a mobile focused tech-platform to run their business, as well as attractive business terms and wealth building opportunities.

The consolidated operations of Real include the wholly-owned subsidiaries of Real Technology Broker Ltd., Real Broker MA, LLC incorporated on July 11, 2018 under the laws of the state of Delaware, Real Broker CT, LLC incorporated on July 11, 2018 under the laws of the state of Delaware, Real Broker, LLC (formerly Realtyka, LLC) incorporated on October 17, 2014 under the laws of the state of Texas, and Real Brokerage Technologies Inc. (formerly Realtyka Tech Ltd.) incorporated on June 29, 2014 in Israel.

On June 5, 2020, the Company completed the "Qualifying Transaction" under *Policy 2.4 – Capital Pool* Companies of the TSX Venture Exchange ("TSX-V") (see Note 5). Real's common shares are listed on the TSX-V under the symbol REAX.

Effective June 17, 2020, the Company changed its registered office to 133 Richmond Street West, Suite 302, Toronto, Ontario M5H 2L3.

2. Basis of preparation

A. Statement of compliance

The unaudited interim condensed consolidated financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting as issued by the by the International Accounting Standards Board ("IASB"). The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the Company's annual audited consolidated financial statements for the year ended December 31, 2019. These unaudited interim condensed consolidated financial statements were authorized for issuance by the Board of Directors on August 26, 2020.

B. Functional and presentation currency

These unaudited interim condensed consolidated financial statements are presented in U.S. dollars, which is the Company's functional currency. All amounts have been rounded to the nearest thousands of dollars, unless otherwise noted.

C. Significant judgments, estimates and assumptions

The preparation of Real's unaudited interim condensed consolidated financial statements require management to make judgments, estimates and assumptions that effect the amounts reported. In the process of applying Real's accounting policies, management was required to apply judgment in certain areas. Estimates and assumptions made by management are based on events and circumstances that existed at the unaudited interim condensed consolidated balance sheet date. Accordingly, actual results may differ from these estimates.

The significant judgments, estimates and assumptions in the preparation of the unaudited interim condensed consolidated financial statements are consistent with those followed in the preparation of the Company's annual consolidated financial statements for the years ended December 31, 2019 and 2018.

2. Basis of preparation (cont'd)

D. Basis for segmentation

In measuring its performance, the Company does not distinguish or group its operations on a geographical or on any other basis, and accordingly has a single reportable operating segment. Management has applied judgment by aggregating its operating segments into one single reportable segment for disclosure purposes. Such judgment considers the nature of the operations, and an expectation of operating segments within a reportable segment, which have similar long-term economic characteristics.

The Company's Chief Executive Officer is the chief operating decision maker, and regularly reviews operations and performance on an aggregated basis. The Company does not have any significant customers or any significant groups of customers.

3. Basis of consolidation

i. Subsidiaries

Subsidiaries are entities controlled by the Company. The Company 'controls' an entity when it is exposed to, or has the rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the interim condensed consolidated financial statements from the date on which control commences until the date on which control ceases.

ii. Transactions eliminated on consolidation

Intercompany balances and transactions, and any unrealized income and expenses arising from intercompany transactions, are eliminated. Unrealized losses are eliminated in the same way unrealized gains, but only to the extent there is no evidence of impairment.

4. Significant accounting policies

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the annual consolidated financial statements for the year ended December 31, 2019, except for the adoption of new standards effective as of January 1, 2020.

A. Changes in accounting policies

Amendments to IAS 1, Presentation of Financial Statements ("IAS 1") and IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors ("IAS 8") – Definition of Material

In October 2018, the IASB issued amendments to IAS 1 and IAS 8 to align the definition of "material" across the standards and to clarify certain aspects of the definition. The new definition states that, "Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." These amendments are effective January 1, 2020. The amendments to the definition of material and have not had a significant impact on the Company's interim condensed consolidated financial statements.

4. Significant accounting policies (cont'd)

B. Future changes in accounting policies

The Company monitors the potential changes proposed by the IASB and analyzes the effect that changes in the standards may have on the Company's operations. Standards issued but not yet effective up to the date of issuance of these interim condensed consolidated financial statements are described below. This description is of the standards and interpretations issued that the Company reasonably expects to be applicable at a future date. The Company intends to adopt these standards when they become effective.

IAS 1, Presentation of Financial Statements ("IAS 1")

In January 2010, the IASB issued amendments to IAS 1, Presentation of Financial Statements to clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and is unaffected by expectations about whether or not an entity will exercise their right to defer settlement of a liability. The amendments further clarify that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets, or services. The amendments are effective for annual reporting periods beginning on or after January 1, 2022 and must be applied retrospectively.
The Company is currently evaluating the impact of these amendments on its interim condensed consolidated financial statements and will apply the amendments from the effective date.

5. Qualifying transaction

A. ADL Ventures Inc.

On June 5, 2020, Real completed its transaction with ADL Ventures Inc. ("ADL"), a capital pool company, incorporated under the Business Corporations Act (British Columbia), which constitutes the Company's "Qualifying Transaction" under Policy 2.4 – Capital Pool Companies of the TSX-V.

On March 5, 2020, Real and ADL entered into a securities exchange agreement (the "Securities Exchange Agreement") pursuant to which ADL would acquire all the issued and outstanding securities of Real as part of the Qualifying Transaction. The Securities Exchange Agreement provided for the acquisition of all the issued and outstanding common shares, warrants and options of Real by the Company in exchange for common shares and options of ADL. As a result of the Qualifying Transaction, ADL became the sole beneficial owner of all the outstanding securities of Real.

	Note	Number of options	Number of shares	Value
ADL shares and options issued and outstanding		1,200	9,100	271
Effect of transaction with ADL:				
Increase in value of ADL shares and options issued to shareholders of ADL	*i*	-	-	459
Shares issued pursuant to private placement	*ii*		20,758	1,588
Shares and options issued to shareholders of Real	*iii*	5,671	42,144	1,187
Conversion of Real series A preferred shares	*iv*	-	68,460	11,750
Conversion of Real convertible debt	*v*	-	3,295	250
ADL options exercised	*vi*	-	675	2
Effect of transaction on share capital		6,871	144,432	15,507

5. Qualifying transaction (cont'd)

B. Transactions

i. Increase in value of ADL shares and options issued to shareholders of ADL

Accounting for the transaction under IFRS 2, *Share-based payment arrangements*, the fair value of the existing shares and options of ADL are increased by $459, with a corresponding increase in listing expenses (see Note C for further details).

ii. Shares issued pursuant to private placement

Concurrent with the Qualifying Transaction, Real raised $1,588 by way of a private placement of subscription receipts (the "Private Placement"). Each subscription receipt was exercisable into one common share, automatically, and upon completion of the Qualifying Transaction.

The common shares issued pursuant to the Private Placement are subject to a six-month regulatory hold period from the date of closing the Private placement, comprised of a four-month regulatory hold plus a two-month hold period based on contractual lock-up commitments of the subscribers.

iii. Shares and options issued to shareholders of Real

Real had 41,797 ordinary stock and 5,671 options exchanged for ADL common stock on a basis of 1 to 1.0083.

iv. Conversion of Real series A preferred shares

Immediately prior to the Qualifying Transaction, Real series A preferred shares were converted on a one-for-one basis into Real ordinary stock and exchanged for ADL common stock on a basis of 1 to 1.0083.

v. Conversion of convertible debt

On February 17, 2020 and March 31, 2020, Real raised an aggregate of $250 by way of convertible loan, with the principal amounts converted immediately prior to the closing of the transaction at a price per share of $0.07587 which was in turn exchanged into common shares on a basis of 1 to 1.0083.

vii. ADL options exercised

Subsequent to the transaction, 675 of the ADL options were converted into common shares.

C. Reverse asset acquisition

ADL's operations did not constitute a business and therefore the Qualifying Transaction is not within the scope of IFRS 3, *Business combinations*, however, the unaudited interim condensed consolidated financial statements are similar to those under reverse acquisition accounting, with the exception of no goodwill arising on combination. The difference between the fair value of the shares issued by the acquirer and the fair value of the acquiree's identifiable net assets represents a service of listing for its shares under IFRS 2, *Share-based payments* and recognized as an expense in the unaudited interim condensed consolidated statements of loss and comprehensive loss.

The consideration transferred for the acquisition is as follows:

5. Qualifying transaction (cont'd)

C. Reverse asset acquisition (cont'd)

Fair value of 9,100 post-consolidated ADL shares	696
Fair value of 1,200 post-consolidated ADL options	34
Total value to shareholders	730
Less: recognized assets acquired	(321)
Add: identifiable liabilities assumed	50
Listing expenses	459

Additional $344 expenses for professional fees relating to the Qualifying Transaction were included in Listing expenses in the unaudited interim condensed consolidated statements of loss and comprehensive loss (June 30, 2019 - $nil).

6. Revenue

	Three months ended June 30,		Six months ended June 30,	
	2020	2019	2020	2019
Major service lines				
Commissions	2,550	3,396	5,467	8,158
Subscriptions	10	16	23	34
Other	34	54	40	69
Total revenue	2,594	3,466	5,530	8,261
Timing of revenue recognition				
Products transferred at a point in time	2,550	3,396	5,467	8,158
Services transferred over time	10	16	23	34
Revenue from contracts with customers	2,560	3,412	5,490	8,192
Other revenue	34	54	40	69
Total revenue	2,594	3,466	5,530	8,261

7. Expenses by nature

	Three months ended June 30,		Six months ended June 30,	
	2020	2019	2020	2019
Commissions to agents	2,313	2,877	4,865	7,310
General and administrative	68	46	340	324
Consultancy	230	379	571	509
Advertising	209	146	361	252
Salaries and benefits	185	159	312	342
Depreciation	22	80	49	81
Dues and subscriptions	2	43	22	87
Travel	10	33	36	125
Occupancy costs	14	59	8	95
Total cost of sales, selling expenses, administrative and research and development expenses	3,053	3,822	6,564	9,125

8. Loss per share

A. Weighted average number of ordinary shares

	Three months ended June 30,		Six months ended June 30,	
In thousands of shares	**2020**	**2019**	**2020**	**2019**
Issued ordinary shares at January 1,	**41,797**	41,797	**41,797**	41,797
Effect of share options exercised	**-**	-	**2**	-
Effect of Qualifying Transaction	**95,415**	-	**95,415**	-
Weighted-average number of ordinary shares at June 30,	**137,212**	41,797	**137,214**	41,797

B. Diluted earnings per share

	Three months ended June 30,		Six months ended June 30,	
In thousands of shares	**2020**	**2019**	**2020**	**2019**
Issued ordinary shares at January 1,	**137,212**	41,797	**137,214**	41,797
Effect of share options on issue	**-**	-	**-**	2,381
Weighted-average number of ordinary shares (diluted) at June 30,	**137,212**	41,797	**137,214**	44,178

9. Share-based payment arrangements

A. Description of share-based payment arrangements

i. Stock option plan (equity-settled)

On January 20, 2016, the Company established a stock-option plan that entitles key management personnel and employees to purchase shares in the Company. Under the stock-option plan, holders of vested options are entitled to purchase shares based for the exercise price as determined at grant date.

The key terms and conditions related to the grants under these programs are as follows; all options are to be settled by physical delivery of shares.

9. Share-based payment arrangements (cont'd)

B. Measurement of fair values

Grant date	Number of instruments	Vesting conditions	Contractual life of options
On March, 2019	30	Immediate	4 years
On March, 2019	283	Quarterly vesting	3 years
On July, 2019	3,523	25% on first anniversary, then quarterly vesting	4 years
On January, 2020	60	25% on first anniversary, then quarterly vesting	4 years
On March, 2020	244	Immediate	4 years
On March, 2020	100	Quarterly vesting	3 years
On March, 2020	280	25% on first anniversary, then quarterly vesting	4 years
On June, 2020	2	Quarterly vesting	5.6 years
On June, 2020	3	Immediate	5.6 years
On June, 2020	4,000	25% on first anniversary, then quarterly vesting	10 years
On June, 2020	450	50 immediately, then quarterly vesting	10 years
On June, 2020	1,400	400 immediately, then quarterly vesting	10 years
On June, 2020	1,123	1 year	10 years
On June, 2020	50	Immediate	10 years
On June, 2020	900	Immediate	7.8 years
	12,448		

The fair value of the stock-options has been measured using the Black-Scholes formula which was also used to determine the Company's share value. Service and non-market performance conditions attached to the arrangements were not considered in measuring fair value. The inputs used in the measurement of the fair values at the grant and measurement date were as follows:

	June 30, 2020	December 31, 2019
Share price	$0.14	$0.13
Exercise price	$0.10 to $0.27	$0.13
Expected volatility (weighted-average)	65.0% to 66.1%	66.1%
Expected life (weighted-average)	3 to 10 years	4 years
Expected dividends	–%	–%
Risk-free interest rate (based on government bonds)	1.67%	2.14%

Expected volatility has been based on an evaluation of based on a comparable companies' historical volatility of the share price, particularly over the historical period commensurate with the expected term.

C. Reconciliation of outstanding stock-options

	Number of options June 30, 2020	Weighted-average exercise price June 30, 2020	Number of options December 31, 2019	Weighted-average exercise price December 31, 2019
Outstanding at beginning of period (year)	5,791	$ 0.13	5,107	$ 0.13
Granted	8,417	$ 0.25	684	$ 0.13
Exercised	(687)	$ (0.10)	-	$ -
Outstanding at end of period (year)	13,521	$ 0.20	5,791	$ 0.13
Exerciseable at period (year)	2,148		470	

9. Share-based payment arrangements (cont'd)

C. Reconciliation of outstanding stock-options (cont'd)

The stock-options outstanding as at June 30, 2020 had an average exercise price of $0.20 (December 31, 2019: $0.13) and a weighted-average contractual life of 3.6 years (December 31, 2018: 4 years).

10. Trade receivables

	June 30, 2020	December 31, 2019
Trade receivables	119	64
Less: allowance for trade receivables	(37)	(8)
Trade receivables	82	56

Information about the Company's exposure to credit and market risks, and impairment losses for trade receivables is included in Note 17(ii).

11. Cash

	June 30, 2020	December 31, 2019
Bank balances	1,748	53
Restricted cash	43	43
	1,791	96

12. Property and equipment and right-of-use assets

	Right-of-use assets	Computer equipment	Furniture and equipment	Total
Cost				
Balance at December 31, 2019	433	21	65	**519**
Additions	69	-	-	**69**
Balance at June 30, 2020	**502**	**21**	**65**	**588**
Accumulated depreciation				
Balance at December 31, 2019	221	21	64	**306**
Depreciation	49	-	-	**49**
Balance at June 30, 2020	**270**	**21**	**64**	**355**
Carrying amounts				
At December 31, 2019	212	-	1	**213**
At June 30, 2020	**232**	**-**	**1**	**233**

13. Capital and reserves

A. Share capital and share premium

	Note	Ordinary shares		Non-redeemable preference shares	
		June 30, 2020	December 31, 2019	June 30, 2020	December 31, 2019
In issue at beginning of period (year)		1,187	1,187	11,750	10,750
Issued for cash		-	-	-	1,000
Conversion	5	11,750	-	(11,750)	-
Private placement	5	1,588	-	-	-
ADL shares	5	730	-	-	-
Conversion of convertible debt	5	250	-	-	-
Exercise of stock options	5	2	-	-	-
In issue at end of period (year) – fully paid		15,507	1,187	-	11,750
Authorized (thousands of shares)		Unlimited	123,000	66,000	66,000

All ordinary shares rank equally with regards to the Company's residual assets. Preference shareholders participate only to the extent of the face value of the shares.

i. Preferred shares

During 2019, the Company completed a private placement of 7,143 series A preferred shares at a price of $0.14. The fair value of preferred shares issued were $1,000.

During 2020, the Company completed the Qualifying Transaction (Note 5) whereby the 68,460 series A preferred shares were converted into common shares.

14. Loans and borrowings

i. Paycheck Protection Program Loan

On May 5, 2020, the Company entered into a loan agreement with JPMorgan Chase Bank as the lender ("Lender") in an aggregate principal amount of $172 ("PPP Loan") as part of the Paycheck Protection Program under the Coronavirus Aid, Relief, and Economic Security ("CARES") Act. The PPP Loan is evidenced by a promissory note.

Subject to the terms of the promissory note, the PPP Loan bears interest at a rate of 1% per annum, with the first six months of interest deferred, has a term of 2 years, and is unsecured and guaranteed by the Small Business Administration. The Company may apply to the Lender for forgiveness of PPP Loan, with the amount which may be forgiven equal to the sum of payroll costs, covered rent and mortgage obligations, and covered utility payments incurred by the Company during a predefined period as determined by the CARES Act.

15. Capital management

Real defines capital as its equity. The Company's objective when managing capital is:

– to safeguard the ability to continue as a going concern, so that it can continue to provide returns to shareholders and benefits to other stakeholders; and
– to provide adequate return to shareholders by obtaining an appropriate amount of financing commensurate with the level of risk.

15. Capital management (cont'd)

The Company sets the amount of capital in proportion to the risk. Real manages its capital structure and adjusts considering changes in economic conditions and the characteristic risk of underlying assets. To maintain or adjust the capital structure, the Company may repurchase shares, return capital to shareholders, issue new shares or sell asset to reduce debt.

Real's objective is met by retaining adequate liquidity to provide the possibility that cash flows from its assets will not be sufficient to meet operational, investing and financing requirements. There have been no changes to the Company's capital management policies during the periods ended June 30, 2020 and 2019.

16. Lease liabilities

	June 30, 2020	December 31, 2019
Maturity analysis – contractual undiscounted cash flows		
Less than one year	90	124
One year to five years	181	106
Total undiscounted lease liabilities	271	230
Lease liabilities included in the balance sheet	255	222
Current	85	122
Non-current	170	100

17. Financial instruments – Fair values and risk management

The Company has exposure to the following risks arising from financial instruments:

– credit risk (see (ii));

– liquidity risk (see (iii)); and

– market risk (see (iv)).

i. Risk management framework

The Company's activity exposes it to a variety of financial risks, including credit risk, liquidity risk and market risk. These financial risks are managed by the Company under policies approved by the Board of Directors. The principal financial risks are actively managed by the Company's finance department, within Board approved policies and guidelines.

On an ongoing basis, the finance department actively monitors the market conditions, with a view of minimizing exposure of the Company to changing market factors, while at the same time limiting the funding costs of the Company. The Company's audit committee oversees how management monitors compliance with the risk management policies and procedures and review the adequacy of the risk management framework in relation to the risks faced by the Company.

17. Financial instruments – Fair values and risk management (cont'd)

ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers. The receivables are processed through an intermediary trustee, as part of the structure of every deal, which ensures collection on the close of a successful transaction. To mitigate the residual risk, the Company contracts exclusively with reputable and credit-worthy partners.

The carrying amount of financial assets and contract assets represents the maximum credit exposure.

The risk management committee has established a credit policy under which each new customer is analyzed individually for creditworthiness before the Company's standard payment and terms and conditions are offered.

The Company does not require collateral in respect to trade and other receivables. The Company does not have trade receivable and contract assets for which no loss allowance is recognized because of collateral. As at June 30, 2020, the exposure to credit risk for trade receivables of $85 is limited to U.S. only and there is no material receivables from other geographical region.

The Company uses an allowance matrix to measure the ECLs of trade receivables from individual customers, which comprise a very large number of small balances.

iii. Liquidity risk

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off. Roll rates are calculated separately for exposures in different segments based on the following common credit risk characteristics – geographic region, credit information about the customer and the type of home purchased.

Loss rates are based on actual credit loss experience. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions of the Company's view of economic conditions over the expected lives of the receivables.

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to maintaining liquidity is to ensure, as far as possible, that it will have sufficient cash and cash equivalents and other liquid assets to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

iv. Market risk

Market risk is the risk that changes in market prices – e.g. foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Currency risk

The Company is exposed to transactional foreign currency risk to the extent there is a mismatch between currencies in which purchases and receivables are denominated and the respective functional currencies of the Company. The currencies in which transactions are primarily denominated are U.S. dollars and Israeli Shekels.

17. Financial instruments – Fair values and risk management (cont'd)

Exposure to currency risk

The summary of quantitative data about the Company's exposure to currency risk as reported to management of the Company is as follows.

	June 30, 2020	December 31, 2019
US	119	64
Other regions	-	-
	119	64

The following significant exchange rates have been applied.

	Average rate		Period-end spot rate	
	June 30, 2020	December 31, 2019	June 30, 2020	December 31, 2019
ILS 1	0.29	0.28	0.29	0.28

Sensitivity analysis

A reasonably possible strengthening (weakening) of the U.S. dollar or Israeli shekel against all other currencies as at June 30, 2020 would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular, interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Average rate		Year-end spot rate	
	Strengthening	Weakening	Strengthening	Weakening
June 30, 2020				
ILS (5% movement)	113	(113)	-	-
December 31, 2019				
ILS (5% movement)	101	(101)	94	(94)

18. Commitments and contingencies

The Company may have various other contractual obligations in the normal course of operations. The Company is not contingently liable with respect to litigation, claims and environmental matters, including those that could result in mandatory damages or other relief. Any expected settlement of claims in excess of amounts recorded will be charged to profit or loss as and when such determination is made.

19. Related parties

	June 30, 2020	June 30, 2019
Salaries and benefits	233	218
Short-term employee benefits	6	1
Consultancy	29	10
Share-based payments	85	57
	353	286

19. Related parties (cont'd)

Executive officers participate in the Company's stock option program (see Note 9(A)(i)). Furthermore, real estate agents of the Company are entitled to participate in the stock option program if they meet certain eligibility criteria. Directors or Officers of the Company control 20% of the voting shares of the Company.

20. Subsequent events

A. Coronavirus ("COVID-19")

Since December 31, 2019, the outbreak of the novel string of coronavirus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused a material interruption to businesses, resulting in a global economic slowdown.

The global equity markets have experienced significant volatility and weakness, with the government and central bank reacting with significant monetary and fiscal interventions designed to stabilize the economic conditions. The duration and impact of COVID-19 is unknown, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of those developments and the impact on the financial results and condition of the Company and its operating subsidiaries in future periods.

B. Private placement

On August 12, 2020, Real closed a non-brokered private placement of 1,900 common shares at a price of $0.35 CAD per common share for aggregate gross proceeds of $665 CAD less customary expenses. The Company intends to use the proceeds for sales, marketing, and general working capital purposes. All common shares issued in the non-brokered private placement will be subject to a four-month hold period and a six-month contractual lock-up. The non-brokered private placement is subject to final acceptance by the TSX-V.

The Real Brokerage Inc.

Management's Discussion and Analysis

For the period ended June 30, 2020

Corporate Profile

Real is technology-powered real estate brokerage firm, established in 2014 by a group of real estate professionals, technologies and venture capitalists that understood the limitations of the brokerage-agent relationship. By marrying industry-leading technology with an agent-centric approach, Real is finding ways to make agents' lives better through:

– Creating financial opportunities for agents;

– App-based brokerage services;

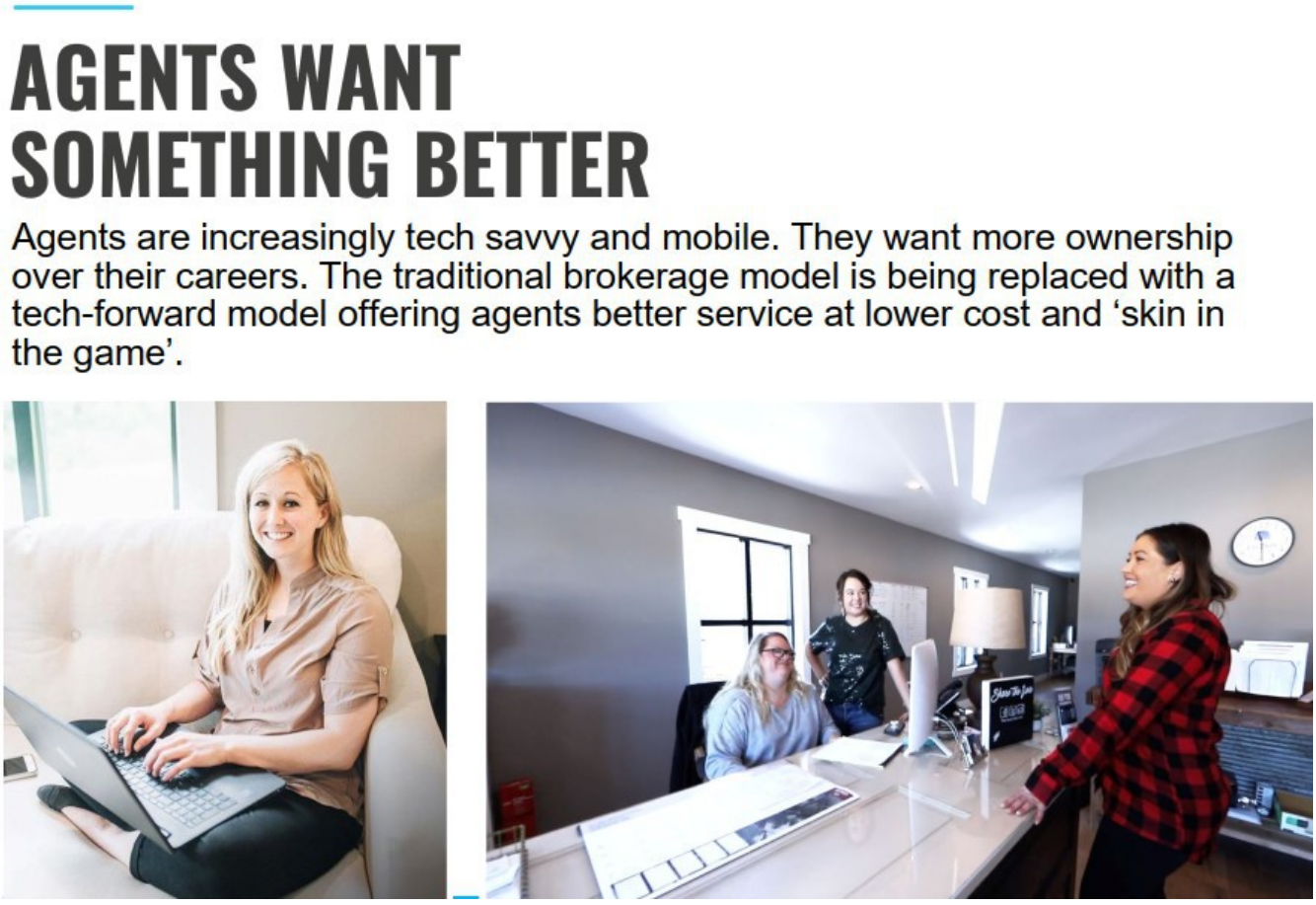
– Best in-class support;

– Website and applications with listing search features;

– Paperless transaction management;

– Comparative market analysis tools; and

– A collaborative online community.



Our Mission

Always find ways to make agents' lives better. ..

1. KEEP MORE COMMISSION.

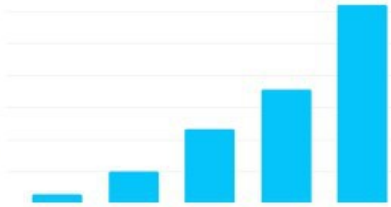
Our unique compensation structure favors the agent allowing them to keep 85%-100% of commissions.

2. STAY MOBILE.

We are 100% mobile – so our agents are flexible and never tied down.

3. BUILD EQUITY.

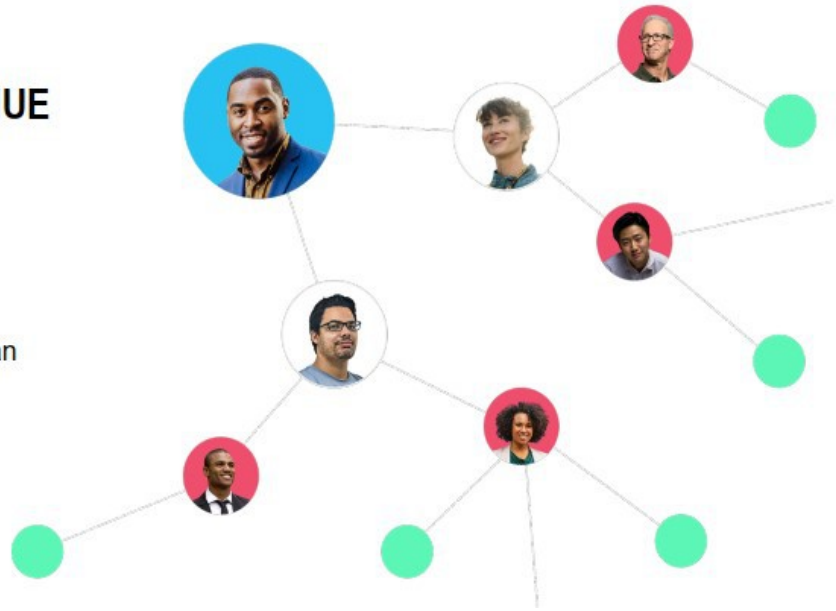
Agents can earn equity that allows them to share in the wealth as they help to build a more valuable Company.



4. EARN MORE WITH REVENUE SHARING.

Agents can earn a share of revenue generated by agents referred to Real.

Each referral earns an agent 4%+ of Real's portion of an agents' CGI up to an annual cap.

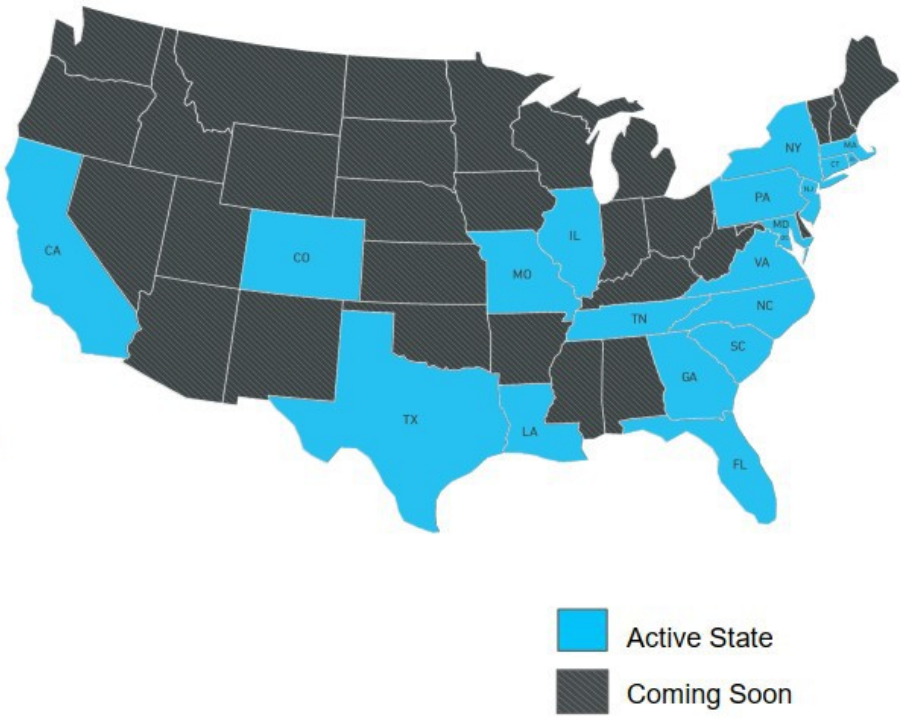


Other Highlights

Real was founded in 2014 and headquartered in New York City. We provide brokerage services for the real estate market in the United States.

We are licensed in over 20 states and are expanding rapidly!

Our network of agents allows for strong relationship building, access to a nationwide referral network and allows them to take advantage of seamless team expansion opportunities.



20
Licensed states, 2019

1039
Licensed agents, 2019

$15m
Revenues, 2019

$495m
Value of deals closed, 2019

Introduction

This Management's Discussion and Analysis ("MD&A") is provided to enable a reader to assess the results of operations and financial condition of Real Technology Broker Limited. for the period ended June 30, 2020 and 2019. This MD&A is dated August 26, 2020 and should be read in conjunction with the unaudited interim condensed financial statements and related notes for the period ended June 30, 2020 and 2019 ("Financial Statements"). Unless the context indicates otherwise, references to "Real", "the Company", "we", "us" and "our" in this MD&A refer to Real Technology Broker Limited and its operations.

Forward-looking information

Certain information included in this MD&A contains forward-looking information within the meaning of applicable Canadian securities laws. This information includes, but is not limited to, statements made in Business Overview and Strategy, Results from Operations, Debt Profile and other statements concerning Real's objectives, its strategies to achieve those objectives, as well as statements with respect to management's beliefs, plans, estimates and intentions, and similar statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical facts. Forward-looking information generally can be identified by the use of forward-looking terminology such as "outlook", "objective", "may", "will", "would", "expect", "intend", "estimate", "anticipate", "believe", "should", "plan", "continue", or similar expressions suggesting future outcomes or events or the negative thereof. Such forward-looking information reflects management's beliefs and is based on information currently available. All forward-looking information in this MD&A is qualified by the following cautionary statements.

Forward looking information necessarily involves known and unknown risks and uncertainties, which may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, assumptions may not be correct and objectives, strategic goals and priorities may not be achieved. A variety of factors, many of which are beyond Real's control, affect the operations, performance and results of the Company and its subsidiaries, and could call actual results to differ materially from current expectations of estimated or anticipated events or results.

Although Real believes that the expectations reflected in such forward-looking information are reasonable and represent the Company's projections, expectations and beliefs at this time, such information involves known and unknown risks and uncertainties which may cause the Company's actual performance and results in future periods to differ materially from any estimates or projections of future performance or results expressed or implied by such forward-looking information. Important factors that could cause actual results to differ materially include but are not limited to: Business Overview, Results from Operations, Liquidity and Capital Resources, Capital Structure and Stock Option Plan. See Risks and Uncertainties for further information. The reader is cautioned to consider these factors, uncertainties, and potential events carefully and not to put undue reliance on forward-looking information, as there can be no assurance that actual results will be consistent with such forward-looking information.

The forward-looking information included in this MD&A is made as of the date of this MD&A and should not be relied upon as representing Real's views as of any date subsequent to the date of this MD&A. Management undertakes no obligation, except as required by applicable law, to publicly update or revise any forward-looking information, whether as a result of new information, future events or otherwise.

Business overview and strategy

Real is a growing multistate technology powered real estate brokerage. We focus our operations on development of technology that helps real estate agents perform better as well as building a scalable, efficient brokerage operation that is not dependent on a cost-heavy brick and mortar presence in the markets that we operate in.

Business overview and strategy (cont'd)

As a licensed real estate brokerage, our revenue is generated, primarily, by processing real estate transactions which entitle us to commissions. We pay a portion of our commission revenue to our agents and brokers.
Our strength is our ability to offer real estate agents a higher value, at a lower cost, compared to other brokerages, while operating efficiently and scaling quickly.

Recent developments

Qualifying transaction

On June 5, 2020, Real completed its transaction with ADL Ventures Inc. ("ADL"), a capital pool company, incorporated under the Business Corporations Act (British Columbia), which constitutes the Company's "Qualifying Transaction" under Policy 2.4 – Capital Pool Companies of the TSX-V.

On March 5, 2020, Real and ADL entered into a securities exchange agreement (the "Securities Exchange Agreement") pursuant to which ADL would acquire all the issued and outstanding securities of Real as part of the Qualifying Transaction. The Securities Exchange Agreement provided for the acquisition of all the issued and outstanding common shares, warrants and options of Real by the Company in exchange for common shares and options of ADL. As a result of the Qualifying Transaction, ADL became the sole beneficial owner of all the outstanding securities of Real.

Private placements

Concurrent with the Qualifying Transaction, Real raised $1,588 by way of a private placement of subscription receipts (the "Private Placement"). Each subscription receipt was exercisable into one common share, automatically, and upon completion of the Qualifying Transaction. The common shares issued pursuant to the Private Placement are subject to a six-month regulatory hold period from the date of closing the Private placement, comprised of a four-month regulatory hold plus a two-month hold period based on contractual lock-up commitments of the subscribers.

Subsequent to period end, on August 12, 2020, Real closed a non-brokered private placement of 1,900 common shares at a price of $0.35 per common share for aggregate gross proceeds of $665 CAD less customary expenses. The Company intends to use the proceeds for sales, marketing, and general working capital purposes. All common shares issued in the non-brokered private placement will be subject to a four-month hold period and a six-month contractual lock-up. The non-brokered private placement is subject to final acceptance by the TSX-V (see Subsequent Events).

Agent equity program

During the 2018 fiscal year, we launched our Agent Equity Program, incentivizing our agents for their contribution in Real's growth. Agents were compensated with stock options for closing transactions, referring other agents to the Company, and reaching their sales caps. In March of 2020, we terminated the Agent Equity Program in anticipation of completing our listing on the TSX-V.

We perceive equity contributions to agents, teams and brokers as a major attraction and retention tool and will be working to introduce a new equity offering to our agents during 2020, focusing on attracting and retaining productive agents, teams and brokers.

Business overview and strategy (cont'd)

Recent developments (cont'd)

Revenue-share model

As the vast majority or real estate agents are independent contractors, we believe that it is our responsibility to create multiple revenue sources and improve financial opportunities for agents. Our attractive commission split coupled with the equity incentives for agents provide great opportunities. We are now offering agents the opportunity to earn revenue-share, paid out of Real's portion of commissions, for new agents that they personally refer to Real. The program was recently launched and is being carefully rolled out. A successful implementation will have a major positive impact on our agent count and revenue growth.

Focus on teams

Real estate teams operate as "brokerages inside a brokerage". A team is typically formed by a high producing agent who attracts other agents to work with them and enjoy the lead flow and mentoring provided by the team leader. To attract teams, we introduced a team offering in 2018, consisting of a dedicated comprehensive customer relationship management and very favorable commission splits and caps to team leaders and members.

On June 24, Real welcomed Peter Nobel and Erinn Nobel to the company's leadership team as Chief Strategy Officer and Chief Culture Officer, respectively, with the goal of accelerating long term growth.

Path to profitability

We continue to analyze and monitor our spend and operational expenses, developing internal tools and processes for more efficient transaction processing and support, focused our geographic footprint, terminated the affiliation of non-producing agents who had been with us for a long period and closely monitored our return-on- investment in various marketing channels.

Emphasizing regional growth

After years of focusing our marketing efforts primarily on online advertising, we decided, in 2019, to experiment with "boots on the ground" recruiting and hired experienced and well-networked brokers as Regional Growth Leaders ("RGLs") in two markets. The thesis was that having a local person representing the company would provide a higher level of comfort for agents and teams interested in joining Real. We are still monitoring the impact of the RGLs on our overall growth and the cost effectiveness of such marketing activity.

Tracking agent satisfaction

Agents' satisfaction is top-of-mind for Real and we use the Net Promoter Score® ("NPS") surveys for measurement and tracking. NPS is a measure of customer satisfaction and is measured on a scale between (100) and 100. An NPS above 50 is considered excellent. The question we ask is "On a scale of zero to ten, how likely are you to recommend Real as a potential brokerage firm to other agents?". Our most recent NPS is 67.7, a strong indication to a very high level of satisfaction amongst our agents. We believe that NPS surveys help in ensuring we are delivering on the most important services and value to our agents. A high level of satisfaction contributes to the brand and organic growth of Real.

Business overview and strategy (cont'd)

Recent developments (cont'd)

Artificial intelligence

During 2019, we launched "Flo", our AI support-focused bot. As a first step, Flo monitors support tickets arriving from our agents and directs the ticket to the relevant person within Real, based on historic data and understanding of who would be best to handle that specific case. We continue to develop Flo with the aim that it would be able to directly reply and handle a large percentage of our support tickets, based on historic support conversations data accumulated since founding Real.

Investing in commercial growth

The commercial real estate brokerage segment is dominated by large, often international, players. Agents working with such brand names are typically tied to their brokerage by long-term contractual obligations and specific clauses, preventing them from approaching the brokerage's clients should they elect to switch to a different brokerage. We identified a segment of agents, focused on tenant representation (mainly companies looking to rent office spaces) who work with their own clientele and wish to work more independently. They are often reluctant to join the leading commercial brokerages and take on the various restrictions imposed by them.

Real Broker Commercial, LLC is our commercial-focused entity, offering commercial agents the freedom and flexibility to conduct their business the way they want to and to enjoy our multistate platform and favorable commission splits. It was established in partnership with Robert Kulik, one of our agents, who closed one of Manhattan's most-notable office lease deals during 2019, resulting in $2,637 of revenue for Real.

Objectives

Real seeks to become one of US' leading real estate brokerages. Using our proprietary technology, we look to provide agents with all the tools they need in order to manage and market their business and succeed. Real plans to accomplish this through: (i) proprietary integration of technology and tools focused on facilitating and improving tasks performed by agents. (ii) the offering of attractive business terms to agents and creation of multiple potential revenue streams for agents (iii) providing excellent support and service to our agents (iv) the creation of a nationwide collaborative community of agents. Leveraging the engagement of real estate agents and home buyers and sellers, Real will seek to generate revenue through a variety of different channels.

Presentation of financial information and non-IFRS measures

Presentation of financial information

Unless otherwise specified herein, financial results, including historical comparatives, contained in this MD&A are based on Real's Financial Statements for the period ended June 30, 2020, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and the interpretations of the IFRS Interpretations Committee ("IFIRC"). Unless otherwise specified, amounts are in Canadian dollars and percentage changes are calculated using whole numbers.

Non-IFRS measures

In addition to the reported IFRS measures, industry practice is to evaluate entities giving consideration to certain non- IFRS performance measures, such as earnings before interest, taxes, depreciation and amortization ("EBITDA") or adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA").

Management believes that these measures are helpful to investors because they are measures that the Company uses to measure performance relative to other entities. In addition to IFRS results, these measures are also used internally to measure the operating performance of the Company.

These measures are not in accordance with IFRS and have no standardized definitions, and as such, our computations of these non-IFRS measures may not be comparable to measures by other reporting issuers. In addition, Real's method of calculating non-IFRS measures may differ from other reporting issuers, and accordingly, may not be comparable.

Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA")

EBITDA is used as an alternative to net income because it includes major non-cash items such as interest, taxes and amortization, which management considers non-operating in nature. A reconciliation of EBITDA to IFRS net income is presented under the section Results from Operations of this MD&A.

Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization ("Adjusted EBITDA")

Adjusted EBITDA is used as an alternative to net income because it excludes major non-cash items such as amortization, interest, stock-based compensation, current and deferred income tax expenses and other items management considers non-operating in nature. A reconciliation of adjusted EBITDA to IFRS net income is presented under section Results from Operations of this MD&A.

Results from operations

Select annual information

For the period ended June 30,	**2020**	**2019**
Operating results		
Loss before tax	**(1,853)**	(867)
Net loss and comprehensive loss	**(1,853)**	(867)
Per share basis		
Basic and diluted loss per share	**(0.014)**	(0.021)

As at	*Note*	**June 30, 2020**	**December 31, 2019**
Total assets		**2,170**	408
Total debt	*(ii)*	**1,446**	598
Debt to total assets	*(i) (iii)*	**67%**	147%
EBITDA	*(i) (iv)*	**(1,787)**	(783)
Adjusted EBITDA	*(i) (iv)*	**(1,131)**	(539)

(i)	Represents a non-IFRS measure. Real's method for calculating non-IFRS measures may differ from other reporting issuers' methods and accordingly may not be comparable. For definitions and basis of presentation of Real's non-IFRS measures, refer to the non-IFRS measures section of this MD&A.
(ii)	Total debt is defined as accounts payable and other financial liabilities, less preferred equity.
(iii)	Debt to total assets is a non-IFRS measure and is calculated as total debt divided by total assets.
(iv)	EBITDA and Adjusted EBITDA is calculated on a trailing twelve month basis. Refer to non-IFRS measures section of this MD&A for further details.

For the period ended June 30, 2020, total revenues amounted to $5,530 compared to $8,261 for the period ended June 30, 2019. The decrease in revenues attributable to a one-time commercial lease sale of $2,636 closed in Q1 2019 as well as the impact of COVID-19 on the national real estate market. We are continuing to increase our investment in productive agents on our platform which will continue to translate into a larger transaction volume closed by our agents.

Results from operations (cont'd)

A further breakdown in revenues generated during the year is included below:

	Three months ended June 30,		Six months ended June 30,	
	2020	2019	2020	2019
Major service lines				
Commissions	2,550	3,396	5,467	8,158
Subscriptions	10	16	23	34
Other	34	54	40	69
Total revenue	2,594	3,466	5,530	8,261
Timing of revenue recognition				
Products transferred at a point in time	2,550	3,396	5,467	8,158
Services transferred over time	10	16	23	34
Revenue from contracts with customers	2,560	3,412	5,490	8,192
Other revenue	34	54	40	69
Total revenue	2,594	3,466	5,530	8,261

A further breakdown in expenses during the year is included below:

	Three months ended June 30,		Six months ended June 30,	
	2020	2019	2020	2019
Commissions to agents	2,313	2,877	4,865	7,310
General and administrative	68	46	340	324
Consultancy	230	379	571	509
Advertising	209	146	361	252
Salaries and benefits	185	159	312	342
Depreciation	22	80	49	81
Dues and subscriptions	2	43	22	87
Travel	10	33	36	125
Occupancy costs	14	59	8	95
Total cost of sales, selling expenses, administrative and research and development expenses	3,053	3,822	6,564	9,125

We believe that growth can and should be balanced with profits and therefore plan and monitor our spend responsibly to ensure we decrease our loss and work towards being EBITDA positive. Our loss as a percentage of total revenue was 34% for the period ended June 30, 2020 and 10% for the period ended June 30, 2019. This was primarily due to an increase in administrative expenses as a result of our go-public transaction.

For the six month period ended June 30,	2020	2019
Revenues	5,530	8,261
Commissions to agents	4,865	7,310
Commissions to agents as a percentage of revenues	88%	88%

Results from operations (cont'd)

The commissions paid to agents for the six months June 30, 2020 was $4,865 in comparison to $7,310 for the six months June 30, 2019. The significant decrease is a result of a one-time commercial lease in the prior period. We typically pay our agents on average 85-90% of the gross commission earned on every real estate transaction and, as the total revenue increases, the total commission to agents' expense increases accordingly.

Our general and administrative costs for the six months June 30, 2020 was $340 in comparison to $324 for the six months June 30, 2019. The increase general and administrative expenses were generally in line with the prior period.

Our consultancy expenses for the six months June 30, 2020 was $571 in comparison to $509 for the six months June 30, 2019. The increase in consultancy expenses was primarily due to legal and professional fees in connection with our year end compliance requirements.

Our advertising costs increased for the six months June 30, 2020 was $361 compared to $252 for the six months June 30, 2019 due to our efforts to attract agents. We track the performance of each of these channels and constantly optimize spending. We advertise on multiple online platforms and websites such as Google Adwords, Facebook and Indeed.

We finished June 30, 2020 with 12 full time employees which was a decrease from the employee headcount during June 30, 2019. The decrease was mainly attributed to automation implemented and software that replaced manual work.

We are charging a small portion of our agents a monthly subscription of $40 or $100 because of a pilot we did in the summer of 2017. The intention was to explore how charging a monthly fee would affect the type of agents joining us which resulted in the conclusion that introducing a mandatory monthly fee negatively affects agents recruiting and revenue in general. In addition, some agents pay us a monthly subscription for using value-added software tools such as customer relationship management software.

Liquidity and capital resources

Liquidity and cash management

Our primary sources of liquidity are cash and cash flows from operations as well as cash raised from investors in exchange for issuance of shares. The Company expects to meet all of its obligations and other commitments as they become due. The Company has various financing sources to fund operations and will continue to fund working capital needs through these sources along with cash flows generated from operating activities.

At June 30, 2020, our cash totaled $1,748. Cash is comprised of financial instruments with an original maturity of 90 days or less from the date of purchase, primarily money market funds. We hold no marketable securities.

Financing activities

We believe that our existing balances of cash and cash flows expected to be generated from our operations will be sufficient to satisfy our operating requirements for at least the next eighteen months.

Our future capital requirements will depend on many factors, including our level of investment in technology, our rate of growth into new markets and our marketing efforts. Our capital requirements may be affected by factors which we cannot control such as the residential real estate market, interest rates, and other monetary and fiscal policy changes to the

Liquidity and capital resources (cont'd)

Financing activities (cont'd)

manner in which we currently operate. To support and achieve our future growth plans, however, we may need or seek advantageously to obtain additional funding through equity or debt financing. If we are unable to raise additional capital when desired, our business and results of operations would likely suffer.

The following table presents liquidity as a percentage of debt:

As at,	June 30, 2020	December 31, 2019
Cash	1,748	53
Restricted cash	43	43
Other receivables	31	10
Liquidity	1,822	106
Loans and borrowings	172	-
Debt	172	-
Liquidity expressed as a percentage of debt	1059%	0%

The Company's debt obligations can be funded by cash, restricted cash, other receivables and revenues from operations.

Contractual obligations

As at June 30, 2020 the Company had no guarantees, leases, off-balance sheet arrangements other than those noted in our results from operations. We have a lease for our offices in New York that expires on June 30, 2023. The monthly rent expenses for the lease for the period and ending on June 30, 2020 is $7 per month.

Capital management framework

Real defines capital as the aggregate of debt and equity. The Company's capital management framework is designed to maintain a level of capital that funds the operations and business strategies and builds long-term shareholder value.

The Company's objective is to manage its capital structure in such a way as to diversify its funding sources, while minimizing its funding costs and risks. For 2020, Real expects to be able to satisfy all of its financing requirements through use of some or all of the following: cash on hand, cash generated by operations and through the public offerings of common equity (see Subsequent Events).

Other metrics

Earnings before interest, taxes, depreciation and amortization ("EBITDA")

For the six month period ended June 30,	**2020**	**2019**
Net loss and comprehensive loss	**(1,853)**	(867)
Add (deduct):		
– Taxes	**-**	-
– Interest	**17**	3
– Depreciation	**49**	81
EBITDA	**(1,787)**	(783)

Adjusted earnings before interest, taxes, depreciation and amortization ("EBITDA")

For the six month period ended June 30,	**2020**	**2019**
Net loss and comprehensive loss	**(1,853)**	(867)
Add (deduct):		
– Taxes	**-**	-
– Interest	**17**	3
– Depreciation	**49**	81
– Stock-based compensation	**197**	244
– Listing expenses	**459**	-
Adjusted EBITDA	**(1,131)**	(539)

Significant accounting policies and other explanatory information

The preparation of the Financial Statements requires management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses and the related disclosures as of the date of the Company's interim condensed consolidated financial statements. Actual results may differ from estimates under different assumptions and conditions.

Significant judgments include the timing of revenue recognition and consolidation adjustments. Our significant judgments have been reviewed and approved by the Audit Committee for completeness of disclosure on what management believes would be relevant and useful to investors in interpreting the amounts and disclosures in our interim condensed consolidated financial statements.

Changes in accounting policies

Amendments to IAS 1, Presentation of Financial Statements ("IAS 1") and IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors ("IAS 8") – Definition of Material

In October 2018, the IASB issued amendments to IAS 1 and IAS 8 to align the definition of "material" across the standards and to clarify certain aspects of the definition. The new definition states that, "Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." These amendments are effective January 1, 2020. The amendments to the definition of material and have not had a significant impact on the Company's Financial Statements.

Future changes in accounting policies

The Company monitors the potential changes proposed by the IASB and analyzes the effect that changes in the standards may have on the Company's operations. Standards issued but not yet effective up to the date of issuance of the Financial Statements are described below. This description is of the standards and interpretations issued that the Company reasonably expects to be applicable at a future date. The Company intends to adopt these standards when they become effective.

IAS 1, Presentation of Financial Statements ("IAS 1")

In January 2010, the IASB issued amendments to IAS 1, Presentation of Financial Statements to clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and is unaffected by expectations about whether or not an entity will exercise their right to defer settlement of a liability.

The amendments further clarify that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets, or services. The amendments are effective for annual reporting periods beginning on or after January 1, 2022 and must be applied retrospectively.

The Company is currently evaluating the impact of these amendments on its Financial Statements and will apply the amendments from the effective date.

Disclosure controls and procedures and internal control over financial reporting

Disclosure controls and procedures

The CEO and CFO have designed or caused to design controls to provide reasonable assurance that: (i) material information relating to the Company is made known to management by others, particularly during the period in which the annual and interim filings are being prepared; and (ii) information required to be disclosed by the Company in its annual and interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time frame specified in the securities legislation.

Based on the evaluations, the CEO and CFO have concluded that the Company's disclosure controls and procedures were adequate and effective.

Internal control over financial reporting

Real has established internal controls over financial reporting to provide reasonable assurance regarding the reliability of the Company's financial reporting and the preparation of Interim Condensed Consolidated Financial Statements for external purposes in accordance with IFRS. Management, including the Company's CEO and CFO, have determined that as at June 30, 2020 and 2019, the internal controls over financial reporting were effective.

Inherent limitations

It should be noted that in a control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Given the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues, including instances of fraud, if any, have been detected. These inherent limitations include, among other items: (i) that management's assumptions and judgments could ultimately prove to be incorrect under varying conditions and circumstances; (ii) the impact of any undetected errors;

Disclosure controls and procedures and internal control over financial reporting (cont'd)

Inherent limitations (cont'd)

and (iii) controls may be circumvented by unauthorized acts of individuals, by collusion of two or more people, or by management override.

Key management compensation

The Company's key management personnel are comprised of the Board of Directors and current members of the executive team, the Chief Executive Officer, the Chief Financial Officer and the Chief Marketing Officer. Key management personnel compensation for the period consistent of the following:

	June 30, 2020	June 30, 2019
Salaries and benefits	233	218
Short-term employee benefits	6	1
Consultancy	29	10
Share-based payments	85	57
	353	286

Executive officers participate in the Company's stock option program. Furthermore, real estate agents of the Company are entitled to participate in the stock option program if they meet certain eligibility criteria.

Market conditions and industry trends

General

Throughout the six-month period ended June 30, 2020, home buyers leveraged decreasing interest rates to purchase homes at an increased level. The consensus amongst economists is that interest rates will remain under 4% during 2020, which is likely to support an increasing demand from home buyers.

Our performance during the period was affected by the overall economic situation created by COVID-19 and the social distancing requirements that prevented many of our agents to serve their clients as they have done before. According to the National Association of Realtors ("NAR"), social distancing measures and overall COVID-19 impact is leading to fewer homebuyers, as well as listings being delayed. The economic uncertainty is adding caution to the market.

According to the NAR housing statistics, existing home sales fell 17.8% in April 2020 (compared to March 2020) and continued to decline by 9.7% in May 2020 (26.6% drop compared to May 2019). Conversely, in June 2020 existing home sales increased by a record 20.7%. The NAR reported that pending home sales had a record comeback in May 2020 of 44.3% which continued to increase another 16.6% in June 2020.

The impressive increase in pending home sales in June 2020 is encouraging as pending home sales are a forward- looking indicator of future home sales.

Market conditions and industry trends (cont'd)

Inventory

Low mortgage rates fueling increased demand have been causing inventory shortages in many markets, creating a challenging environment for home buyers. According to the NAR, inventory of existing homes for sale in the U.S. was $1,600 (preliminary) as of June 2020 compared to $1,900 at the end of June 2019. Subsequently, NAR indicated the need for new home construction due to the high demand of homes and the record-low inventory levels.

Mortgage rates

According to the NAR, mortgage rates on commitments for 30-year, conventional, fixed-rate mortgages averaged 3.2% for the second quarter of 2020, compared to 4.0% for the second quarter of 2019. Mortgage rates are expected to decrease further. Some lenders have increased their rates to account for the risk and overall financial uncertainty. Low mortgage rates are pushing buyers into the market as well as driving an increase in refinance applications.

Risks and uncertainties

There are a number of risk factors that could cause future results to differ materially from those described herein. The risks and uncertainties described herein are not the only ones the Company faces. Additional risks and uncertainties, including those that the Company does not know about as of the date of this MD&A, or that it currently deems immaterial, may also adversely affect the Company's business. If any of the following risks actually occur, the Company's business may be harmed, and its financial condition and the results of operation may suffer significantly.

Limited operating history

Our limited operating history makes it difficult for potential investors to evaluate our business or prospective operations. As an early stage company, we are subject to all the risks inherent in the initial organization, financing, expenditures, complications and delays inherent in a new business. Investors should evaluate an investment in us in light of the uncertainties encountered by developing companies in a competitive and evolving environment. Our business is dependent upon the implementation of our business plan. We may not be successful in implementing such plan and cannot guarantee that, if implemented, we will ultimately be able to attain profitability.

Additional financing

We will need additional capital in the future to continue to execute our business plan. Therefore, we will be dependent upon additional capital in the form of either debt or equity to continue our operations. At the present time, we do not have arrangements to raise additional capital, and we will need to identify potential investors and negotiate appropriate arrangements with them. We may not be able to arrange enough investment within the time the investment is required or that if it is arranged, that it will be on favorable terms. If we cannot obtain the needed capital, we may not be able to become profitable and may have to curtail or cease our operations.

Risks and uncertainties (cont'd)

Success of the platform

Our business strategy is dependent on our ability to develop platforms and features to attract new businesses and users, while retaining existing ones. Staffing changes, changes in user behavior or development of competing platforms may cause users to switch to alternative platforms or decrease their use of our platform. There is no guarantee that agents will use these features and we may fail to generate revenue. Additionally, any of the following events may cause decreased use of our platform:

- Emergence of competing platforms and applications;
- Inability to convince potential agents to join our platform;
- Technical issues on certain platforms or in the cross-compatibility of multiple platforms;
- Securities breaches with respect to our data;
- A rise in safety or privacy concerns; and
- An increase in the level of spam or undesired content on the network.

Management team

We are highly dependent on our management team, specifically our Chief Executive Officer. If we lose key employees, our business may suffer. Furthermore, our future success will also depend in part on the continued service of our key management personnel and our ability to identify, hire, and retain additional personnel. We do not carry "key-man" life insurance on the lives of our executive officer, employees or advisors. We experience intense competition for qualified personnel and may be unable to attract and retain the personnel necessary for the development of our business. Because of this competition, our compensation costs may increase significantly.

Monetization of platform

There is no guarantee that our efforts to monetize the Real platform will be successful. Furthermore, our competitors may introduce more advanced technologies that deliver a greater value proposition to realtors in the future. All these factors individually or collectively may preclude us from effectively monetizing our business which would have a material adverse effect on our financial condition and results of operation.

Agents engagement

Our business model involves attracting real estate agents to our platform. There is no guarantee that growth strategies will bring new agents to our network. Changes in relationships with our partners, contractors and businesses we retain to grow our network may result in significant increases in the cost to acquire new agents. In addition, new agents may fail to engage with our network to the same extent current agents are engaging with our network resulting in decreased use of our network. Decreases in the size of our agents base and/or decreased engagement on our network may impair our ability to generate revenue.

Managing growth

Successful implementation of our business strategy requires us to manage our growth. Growth could place an increasing strain on our management and financial resources. To manage growth effectively, we need to continuously: (i) evaluate definitive business strategies, goals and objectives; (ii) maintain a system of management controls; and (iii) attract and retain qualified personnel, as well as, develop, train and manage management-level and other employees. If we fail to manage our growth effectively, our business, financial condition or operating results could be materially harmed.

Risks and uncertainties (cont'd)

Competition

We compete with both start-up and established technology companies and brokerages. Our competitors may have substantially greater financial, marketing and other resources than we do and may have been in business longer than we have or have greater name recognition and be better established in the technological or real estate markets than we are. If we are unable to compete successfully with other businesses in our existing market, we may not achieve our projected revenue and/or user targets which may have a material adverse effect on our financial condition.

Volatility

The market price of our common stock could fluctuate significantly in response to various factors and events, including, but not limited to: our ability to execute our business plan; operating results below expectations; announcements regarding regulatory developments with respect to the real estate industry; our issuance of additional securities, including debt or equity or a combination thereof, necessary to fund our operating expenses; announcements of technological innovations or new products by us or our competitors; and period-to-period fluctuations in our financial results. In addition, the securities markets have from time to time experienced significant price and volume fluctuations that are unrelated to the operating performance of particular companies. These market fluctuations may also materially and adversely affect the market price of our common stock.

Loss of investment

An investment in our securities is speculative and involves a high degree of risk. Potential investors should be aware that the value of an investment in the Company may go down as well as up. In addition, there can be no certainty that the market value of an investment in the Company will fully reflect its underlying value. Investors could lose their entire investment. Because we can issue additional shares of common stock, purchasers of our common stock may incur immediate dilution and experience further dilution.

As of the date of this MD&A, we are authorized to issue up to unlimited common shares of which 144,432 shares are issued and outstanding. Our Board of Directors has the authority to cause us to issue additional shares of common stock without consent of any of stockholders. In addition, we are authorized to issue up to 66,000 shares of preferred stock of which nil shares of preferred stock are issued and outstanding as of the date of this MD&A. Consequently, our stockholders may experience further dilution in their ownership of our stock in the future, which could have an adverse effect on the trading market for our common stock.

Furthermore, our Certificate of Incorporation gives our Board the right to create one or more new series of preferred stock. As a result, our Board may, without stockholder approval, issue preferred stock with voting, dividend, conversion, liquidation or other rights that could adversely affect the voting power and equity interests of the holders of our common stock. Preferred stock, which could be issued with the right to more than one vote per share, could be used to discourage, delay or prevent a change of control of our Company, which could materially adversely affect the price of our common stock.

An investment in our securities is speculative and involves a high degree of risk. Potential investors should be aware that the value of an investment in the Company may go down as well as up. In addition, there can be no certainty that the market value of an investment in the Company will fully reflect its underlying value. Investors could lose their entire investment.

Risks and uncertainties (cont'd)

Cyber security threats

A cyber incident is an intentional or unintentional event that could threatens the integrity, confidentiality or availability of the Company's information resources. These events include, but are not limited to, unauthorized access to information systems, a disruption to our information systems, or loss of confidential information. Real's primary risks that could result directly from the occurrence of a cyber incident include operational interruption, damage to our public image and reputation, and/or potentially impact the relationships with our customers.

We have implemented processes, procedures and controls to mitigate these risks, including, but not limited to, firewalls and antivirus programs and training and awareness programs on the risks of cyber incidents. These procedures and controls do not guarantee that the financial results may not be negatively impacted by such an incident.

Subsequent events

Coronavirus ("COVID-19")

Since December 31, 2019, the outbreak of the novel string of coronavirus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused a material interruption to businesses, resulting in a global economic slowdown.

The global equity markets have experienced significant volatility and weakness, with the government and central bank reacting with significant monetary and fiscal interventions designed to stabilize the economic conditions. The duration and impact of COVID-19 is unknown, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of those developments and the impact on the financial results and condition of the Company and its operating subsidiaries in future periods.

Private placement

On August 12, 2020, Real closed a non-brokered private placement of 1,900 common shares at a price of $0.35 per common share for aggregate gross proceeds of $665 CAD less customary expenses. The Company intends to use the proceeds for sales, marketing, and general working capital purposes. All common shares issued in the non-brokered private placement will be subject to a four-month hold period and a six-month contractual lock-up. The non-brokered private placement is subject to final acceptance by the TSX-V.

Additional information

These documents, as well as additional information regarding Real, have been filed electronically on Real's website at www.joinreal.com. Additional information, including the directors' and officers' remuneration and indebtedness, principal holders of Real's securities, common share issuances, options to purchase the Company's securities authorized for issuance under the equity compensation plans, as of June 30, 2020, will be contained in Real's Management Information Circular to be furnished in connection with the annual meeting of the shareholders to be held on August 20, 2020.

FORM 52-109FV2

CERTIFICATION OF INTERIM FILINGS
VENTURE ISSUER BASIC CERTIFICATE

I, Gus Patel, Chief Financial Officer of The Real Brokerage Inc., certify the following:

1. ***Review:*** I have reviewed the interim financial report and interim MD&A (together, the "interim filings") of The Real Brokerage Inc. (the "issuer") for the interim period ended June 30, 2020.

2. ***No misrepresentations:*** Based on my knowledge, having exercised reasonable diligence, the interim filings 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, with respect to the period covered by the interim filings.

3. ***Fair presentation:*** Based on my knowledge, having exercised reasonable diligence, the interim financial report together with the other financial information included in the interim filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the interim filings.

Date: August 26, 2020

"Gus Patel"
Gus Patel
Chief Financial Officer

NOTE TO READER

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* (NI 52-109), this Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of

i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

FORM 52-109FV2

CERTIFICATION OF INTERIM FILINGS
VENTURE ISSUER BASIC CERTIFICATE

I, Tamir Poleg, Chief Executive Officer of The Real Brokerage Inc., certify the following:

1. ***Review:*** I have reviewed the interim financial report and interim MD&A (together, the "interim filings") of The Real Brokerage Inc. (the "issuer") for the interim period ended June 30, 2020.

2. ***No misrepresentations:*** Based on my knowledge, having exercised reasonable diligence, the interim filings 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, with respect to the period covered by the interim filings.

3. ***Fair presentation:*** Based on my knowledge, having exercised reasonable diligence, the interim financial report together with the other financial information included in the interim filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the interim filings.

Date: August 26, 2020

"Tamir Poleg"
Tamir Poleg
Chief Executive Officer

NOTE TO READER

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* (NI 52-109), this Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of

i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

The Real Brokerage Reports Q2 2020 Results

NEWS PROVIDED BY
The Real Brokerage Inc. →
Aug 26, 2020, 10:29 ET

Revenue for Q2 2020 of $2.6 million and H1 2020 of $5.5 million

TORONTO and NEW YORK, Aug. 26, 2020 /PRNewswire/ -- The Real Brokerage Inc. (TSXV: REAX) (OTCQX: REAXF) ("Real"), a national, technology-powered real estate brokerage in the United States of America ("U.S."), announced it has filed its financial results for the three and six months ended June 30, 2020.

Additional information concerning Real's consolidated financial statements and related management's discussion and analysis ("MD&A") for the three and six months ended June 30, 2020, can be found at www.sedar.com. Unless otherwise stated, all dollar amounts are in thousands of U.S. dollars.

Q2 2020 highlights include:

- Q2 2020 revenue of $2,594 represented a 25% decrease compared to Q2 2019 due to factors including a decrease in Q2 home buying activity in the major urban areas where Real is concentrated due to COVID19.
- Net operating loss in the quarter was $(458) compared to $(356) in Q2 2019 due to decreased revenue as a result of COVID19.
- On June 12, 2020 Real commenced trading on the TSX-V following a June 5, 2020 completion of a qualifying transaction with ADL Ventures Inc. ("ADL"), a capital pool company.
- With the qualifying transaction, Real raised $1,588 by way of a private placement.
- On June 24, Real welcomed Peter Nobel and Erinn Nobel to the company's leadership team as Chief Strategy Officer and Chief Culture Officer, respectively, with the goal of accelerating long term growth.
- Subsequent to the period end, on August 12, 2020, Real closed a non-brokered private placement of 1,900 common shares at a price of $0.35 (CAD) per common share for aggregate gross proceeds of $665 (CAD) less customary expenses.
- Real exited the quarter with a cash balance of $1,748 compared to $54 at the end of Q1.

CEO Comments

"The past few months have brought uncertainty, anxiety, and grief to people across the world. COVID-19 is facing the global economy with unprecedented challenges. The overall US market for home buying looks favorable with the consensus among economists that interest rates will remain under 4% in 2020 and the National Association of Realtors reports a June 2020 increase of 16.6% in pending home sales. We believe that our technology-driven model is now more relevant and appealing than ever, and we are upbeat by the encouraging signs of resilience of the real estate market in the US," said Tamir Poleg, co-founder and CEO of Real.

About Real
Real (www.joinreal.com) is a technology-powered real estate brokerage in 20 U.S. states and the District of Columbia. Real is on a mission to make agents' lives better, creating financial opportunities for agents through higher commission splits, best-in-class technology, revenue sharing and equity incentives.

Contact Information
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917-922-7020

Forward-looking Information
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SOURCE The Real Brokerage Inc.

Fiverr and Real match real estate agents with expert freelancers

NEWS PROVIDED BY
The Real Brokerage Inc. →
Sep 16, 2020, 07:30 ET

TORONTO and NEW YORK, Sept. 16, 2020 /PRNewswire/ -- The Real Brokerage Inc. (TSXV: REAX) (OTCQX: REAXF) ("**Real**"), a national, technology-powered real estate brokerage, launched today a co-branded marketplace to match real estate agents with expert freelance talent on Fiverr. The marketplace offers agents support services from vetted freelancers like designers and photographers to help them build awareness, generate leads and promote their clients' properties.

"Real's agents work remotely, but that doesn't mean they work alone," said Tamir Poleg, CEO of Real. "With Real's Fiverr store, agents can easily find pre-screened business support services to help get business done better and more efficiently."

In Real's Fiverr store, agents can find professional help with marketing design, lead generation, professional listing videos, 3D modelling, and virtual staging.

The Fiverr platform connects businesses of all sizes with skilled freelancers offering digital services in more than 400 categories, across 8 verticals including graphic design, digital marketing, programming, video and animation. In 2019, over 2.4 million customers bought a wide range of services from freelancers working in over 160 countries.

"With Real's Fiverr marketplace, Real agents can feel confident knowing that the freelancers they need are vetted and ready to help them shine." said Ran Madjar, Director of Partnerships and Corporate Development at Fiverr.

The platform is launching today for all Real agents and can be accessed at https://www.fiverr.com/stores/realbroker.

About Real
Real (www.joinreal.com) is a technology-powered real estate brokerage in 20 U.S. states and the District of Columbia. Real is on a mission to make agents' lives better, creating financial opportunities for agents through higher commission splits, best-in-class technology, revenue sharing and equity incentives.

Contact Information
For more details, please contact:
The Real Brokerage Inc.
Lynda Radosevich
lynda@joinreal.com
917-922-7020

SOURCE The Real Brokerage Inc.

Related Links
http://www.joinreal.com

/

Real Launches Agent Stock Incentive

NEWS PROVIDED BY
The Real Brokerage Inc. →
Sep 21, 2020, 07:30 ET

TORONTO and NEW YORK, Sept. 21, 2020 /PRNewswire/ -- The Real Brokerage Inc. (TSXV: REAX) (OTCQX: REAXF) ("**Real**"), a national, technology-powered real estate brokerage in the United States of America, is pleased to announce that the TSX Venture Exchange has provided final acceptance of the amendments to Real's stock option plan (the "**Stock Option Plan**") and new restricted share unit plan (the "**RSU Plan**") following the approval of Real shareholders at its annual and special meeting of shareholders held on August 20, 2020. In light of these approvals, Real is pleased to launch a new agent compensation plan (the "**Incentive**") to incentivize real estate agents who contribute to Real's continued growth and success.

Under the Incentive, Real agents are eligible to receive stock options exercisable for common shares of Real under the Stock Option Plan and restricted share units that vest as common shares of Real under the RSU Plan. Agents can earn these stock-based incentives in recognition of their personal performance and ability to attract agents to Real. The Incentive builds on Real's recent listings on the TSX Venture Exchange June 12, 2020 and the OTCQX Best Market on August 11, 2020.

"The Incentive gives Real agents a framework for accumulating wealth through equity in the brokerage they help build," said Tamir Poleg, Real's co-founder and CEO.

Additional details about the agent stock incentive plan can be found on joinreal.com and on Real's SEDAR profile at www.sedar.com.

About Real
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Contact Information
For more details, please contact:
The Real Brokerage Inc.
Lynda Radosevich
lynda@joinreal.com
1-917-922-7020

Forward-looking Information
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Forward-looking information is based on assumptions that may prove to be incorrect, including but not limited to Real's business objectives, expected growth, results of operations, performance, business projects and opportunities and financial results. Real considers these assumptions to be reasonable in the circumstances. However, forward-looking information is subject to known and unknown risks, uncertainties and other factors that could cause actual results, performance or achievements to differ materially from those expressed or implied in the forward-looking information. These factors should be carefully considered and readers should not place undue reliance on the forward-looking statements. Although the forward-looking statements contained in this press release are based upon what management believes to be reasonable assumptions, Real cannot assure readers that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this press release, and Real assumes no obligation to update or revise them to reflect new events or circumstances, except as required by law.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release, and the OTCQX has neither approved nor disapproved the contents of this press release.

SOURCE The Real Brokerage Inc.

Related Links
http://www.joinreal.com

Real Appoints Michelle Ressler as Chief Financial Officer

NEWS PROVIDED BY
The Real Brokerage Inc.
Oct 15, 2020, 07:47 ET

TORONTO and NEW YORK, Oct. 15, 2020 /PRNewswire/ -- The Real Brokerage Inc. (TSXV: REAX) (OTCQX: REAXF) ("Real"), a national, technology-powered real estate brokerage in the United States of America ("U.S."), is pleased to announce that Michelle Ressler has been appointed as chief financial officer (CFO) effective immediately.

Ms. Ressler joined Real as vice president of finance in August 2020. Prior to joining Real, Ms. Ressler was the controller at Canaccord Genuity Inc., where she helped scale financial operations following a merger and grew the finance department.

"As we prepare for growth, it was important for us to find a CFO who not only has the right combination of tech and finance expertise, but also embraces Real's vision for the future of real estate in which the agent is central and the brokerage leverages technology and a modern business model to better support agents. In her few short months with Real, Michelle has already shown impressive leadership in driving this strategic transformation forward," said Tamir Poleg, Real's co-founder and chief executive officer.

Ms. Ressler is stepping into the CFO position at Real at a time when the pandemic has increasingly shifted the residential real estate transactions to online formats. As an online real estate brokerage, Real has invested since its inception in product and engineering to enable real estate agents to work completely outside of the traditional real estate brokerage office.

"Real has set itself apart as a fresh real estate brokerage that enables agents to use a tech-driven platform to serve their clients better while building their own financial security. I am inspired by Real's mission, and I look forward to my continued work with the talented team to scale the company," Ms. Ressler said.

Ms. Ressler is based in New York City and will assume the CFO position from Gus Patel, who resigned effective October 12, 2020.

About Real

Real (www.joinreal.com) is a technology-powered real estate brokerage in 20 U.S. states and the District of Columbia. Real is on a mission to make agents' lives better, creating financial opportunities for agents through higher commission splits, best-in-class technology, revenue sharing and equity incentives.

Forward-looking Information

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Contact: Lynda Radosevich, lynda@joinreal.com

SOURCE The Real Brokerage Inc.

Related Links
http://www.joinreal.com

FORM 51-102F3

MATERIAL CHANGE REPORT

***Item 1* — Name and Address of Company**

The Real Brokerage Inc. (the "**Corporation**")
133 Richmond Street West
Suite 302
Toronto, Ontario
M5H 2L3

***Item 2* — Date of Material Change**

The date of the material change was October 12, 2020.

***Item 3* — News Release**

A news release disclosing the material change was disseminated by the Corporation through the services of PRNewswire on October 15, 2020 and was subsequently filed on SEDAR.

***Item 4* — Summary of Material Change**

The Corporation appointed Michelle Ressler as Chief Financial Officer ("**CFO**"). Ms. Ressler is assuming the CFO position from Gus Patel, who resigned effective October 12, 2020.

***Item 5* — Full Description of Material Change**

5.1 – Full Description of Material Change

On October 12, 2020, the Corporation appointed Michelle Ressler as CFO. Ms. Ressler is assuming the CFO position from Gus Patel, who resigned effective October 12, 2020.

5.2 – Disclosure for Restructuring Transactions

Not applicable.

***Item 6* — Reliance on subsection 7.1(2) of National Instrument 51-102**

Not applicable.

***Item 7* — Omitted Information**

Not applicable.

***Item 8* — Executive Officer**

Tamir Poleg, Chief Executive Officer
646-469-7107

***Item 9* — Date of Report**

October 15, 2020

Real Expands to Alaska with Top Real Estate Team and Agents

NEWS PROVIDED BY
The Real Brokerage Inc. →
Oct 06, 2020, 07:30 ET

TORONTO and NEW YORK, Oct. 6, 2020 /CNW/ -- The Real Brokerage Inc. (TSXV: REAX) (OTCQX: REAXF) ('Real'), a national, technology-powered real estate brokerage in the United States, is expanding to Alaska.

As part of the expansion, Real also welcomes the Aspire Realty Group, a top Anchorage real estate team, and Nate Baer, a 20-year veteran of Anchorage real estate with significant average year sales volumes.

Aspire Realty Group was attracted to Real's mobile technology and to Real's recently launched an agent compensation plan, which incentivizes real estate agents who contribute to the company's continued growth and success.

"You don't need an office to make you successful in Alaska real estate."

Tweet this

"You don't need an office to make you successful in Alaska real estate, and the pandemic has really driven that point home," said Justin Millette, founder of Aspire Realty Group and recipient of the Alaska Journal of Congress's 2019 Top Forty Under 40 award in 2019."

For Baer, Real's commitment to building a strong agent culture outside of an office-centric model was key.

"All real estate brokerages have issues with culture right now. You go into the office and it's empty. The fact that Real is so focused on culture that has a chief culture officer is really something, and I look forward to helping to build that culture," said Baer.

Frank Zellers will serve as Real's managing broker in Alaska. Prior to joining Real, Zeller led eXp Realty, LLC's pacific broker team and was the broker and owner of F&M Property Developing, Inc.

Separately, Real has granted an aggregate of 5,000 restricted share units (each, an "RSU") to certain senior officers. The RSUs were awarded based on the closing price of Real's common shares on October 1, 2020 and will vest in their entirety on October 1, 2023.

About Real

Real (www.joinreal.com) is a technology-powered real estate brokerage in 21 U.S. states and the District of Columbia. Real is on a mission to make agents' lives better, creating financial opportunities for agents through higher commission splits, best-in-class technology, revenue sharing and equity incentives.

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Media contact: Lynda Radosevich, lynda@joinreal.com

SOURCE The Real Brokerage Inc.

Related Links
https://www.joinreal.com/

Real Appoints National Director of Growth, Grants Restricted Share Units and Appoints Corporate Secretary

NEWS PROVIDED BY
The Real Brokerage Inc. →
Nov 06, 2020, 07:30 ET

TORONTO and NEW YORK, Nov. 6, 2020 /PRNewswire/ -- The Real Brokerage Inc. (TSXV: REAX) (OTCQX: REAXF) ("Real"), a national, technology-powered real estate brokerage in the United States of America ("U.S."), announced that Ray Pel has joined Real Broker LLC, a wholly owned subsidiary of Real, as national director of growth.

Mr. Pel will help define, coordinate and execute the growth and expansion plan and optimize the revenue funnel for the company.

"It is always exciting to join at the early stage of a fast-growing company," said Mr. Pel. "I am really looking forward to this journey."

With over 30 years of experience in management and ownership, Mr. Pel brings a skillset of experience and knowledge for growth, management, leadership, training, sales and service experience. He has worked with large companies including Allstate Financial and Insurance, Keller Williams, National Fitness Corporation and eXp Realty as well as small to middle market companies including Hart's Athletic Clubs, NRU and other regional fitness chains.

"Agent growth and nationwide expansion are key priorities for Real, and we are excited to have Ray's remarkable experience and talent supporting the effort," said Tamir Poleg, co-founder and CEO of Real.

Separately, Real announced that a total of 10,265 RSUs were granted to senior officers of Real and are payable in common shares. The RSUs will vest in stages over a three year period.

Real is also pleased to announce that Michelle Ressler has been appointed as corporate secretary, succeeding Gus Patel, who resigned effective October 12, 2020.

About Real
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Media contact: Lynda Radosevich, lynda@joinreal.com

SOURCE The Real Brokerage Inc.

Related Links
http://www.joinreal.com

The Real Brokerage Inc.

(formerly ADL Ventures Inc.)

Interim Condensed Consolidated Financial Statements

September 30, 2020

(Unaudited)

Table of Contents

	Note	September 30, 2020	December 31, 2019
Assets			
Cash	11	**1,936**	53
Restricted cash	11	**44**	43
Trade receivables	10	**170**	56
Other receivables		**22**	10
Related parties		**-**	-
Prepaid expenses and deposits		**60**	33
Current assets		**2,232**	195
Property and equipment	12	**8**	1
Right-of-use assets	12	**215**	212
Non-current assets		**223**	213
Total assets		**2,455**	408
Liabilities			
Accounts payable and accrued liabilities		**1,049**	336
Other payables		**58**	40
Lease liabilities	16	**85**	122
Current liabilities		**1,192**	498
Lease liabilities	16	**150**	100
Loans and borrowings	14	**172**	-
Preferred shares	13	**-**	11,750
Accrued Stock-based Compensation		**-**	-
Non-current liabilities		**322**	11,850
Total liabilities		**1,514**	12,348
Deficit			
Share premium	13	**16,085**	1,265
Stock-based compensation reserve		**1,958**	1,622
Deficit		**(17,102)**	(14,827)
Total deficit		**941**	(11,940)
Total liabilities and deficit		**2,455**	408
Commitments and contingencies	18		
Subsequent events	20		

Approved by the Board of Directors:

Tamir Poleg
Director

Guy Gamzu
Director

The notes are an integral part of these unaudited interim condensed consolidated financial statements.

	Note	Three months ended September 30,		Nine months ended Sep 30,	
		2020	2019	2020	2019
Revenue	6	3,939	3,519	9,469	11,780
Cost of sales	7	3,198	3,094	8,063	10,404
Gross profit		741	425	1,406	1,376
Administrative expenses	7	988	679	2,254	2,084
Selling expenses	7	88	140	449	391
Research and development expenses	7	75	67	147	226
Other income		-	-	(1)	-
Operating loss		(410)	(461)	(1,443)	(1,325)
Listing expenses	5	-	-	803	-
Finance costs (income), net		12	440	29	443
Loss before tax		(422)	(901)	(2,275)	(1,768)
Net Loss		(422)	(901)	(2,275)	(1,768)
Total loss and comprehensive loss		(422)	(901)	(2,275)	(1,768)
Earnings per share					
Basic and diluted loss per share	8	(0.013)	(0.030)	(0.026)	(0.042)

The notes are an integral part of these unaudited interim condensed consolidated financial statements.

	Note	Share capital	Share premium	Stock-based compensation reserve	Deficit	Total equity
Balance, at January 1, 2019		-	1,265	1,134	(12,576)	(10,177)
Total loss and comprehensive loss		-	-	-	(1,768)	(1,768)
Equity-settled share-based payment		-	-	26	-	26
Balance, at September 30, 2019		-	1,265	1,160	(14,344)	(11,919)
Balance, at January 1, 2020		-	**1,265**	**1,622**	**(14,827)**	**(11,940)**
Total loss and comprehensive loss		-	-	-	**(2,275)**	**(2,275)**
Shares issued to former ADL shareholders	*5*	-	**271**	-	-	**271**
Increase in ADL shares and options	*5 (i)*	-	**459**	-	-	**459**
Shares issued via private placement	*5 (ii)*	-	**1,588**	-	-	**1,588**
Conversion of series A preferred shares	*5 (iv)*	-	**11,750**	-	-	**11,750**
Conversion of convertible debt	*5 (v)*	-	**250**	-	-	**250**
Exercise of stock options	*5 (vi)*	-	**2**	-	-	**2**
Shares issued via private placement	*13*	-	**500**	-	-	**500**
Equity-settled share-based payment		-	-	**336**	-	**336**
Balance, at September 30, 2020		-	**16,085**	**1,958**	**(17,102)**	**941**

The notes are an integral part of these unaudited interim condensed consolidated financial statements.

	Three months ended September 30,		Nine months ended September 30,	
	2020	**2019**	**2020**	**2019**
Cash flows from operating activities				
Loss for the period	**(422)**	(901)	**(2,275)**	(1,768)
Adjustments for:				
– Depreciation	**17**	17	**66**	85
– Equity-settled share-based payment transactions	**139**	(218)	**336**	26
– Listing expenses	**-**	-	**459**	-
– Finance costs (income), net	**32**	(49)	**28**	(12)
	(234)	(1,151)	**(1,386)**	(1,669)
Changes in:				
– Trade receivables	**(88)**	117	**(114)**	(69)
– Other receivables	**9**	(18)	**(12)**	(9)
– Related parties	**-**	(120)	**-**	(120)
– Prepaid expenses and deposits	**(27)**	(1)	**(27)**	(25)
– Accounts payable and accrued liabilities	**105**	522	**703**	619
– Other payables	**20**	54	**18**	96
Net cash used in operating activities	**(215)**	(597)	**(818)**	(1,177)
Cash flows from investing activity				
Change in restricted cash				(3)
Purchase of property and equipment	**(7)**	50	**(7)**	(6)
Net cash provided by (used in) investing activity	**(7)**	50	**(7)**	(9)
Cash flows from financing activities				
Proceeds from private placement	**443**	-	**2,031**	-
Effect from Qualifying Transaction	**-**	-	**321**	-
Proceeds from issuance of convertible debt	**-**	-	**250**	-
Proceeds from loans and borrowings	**-**	-	**172**	-
Proceeds from issuance of preferred shares	**-**	300	**-**	1,000
Payment of lease liabilities	**(31)**	(8)	**(64)**	(83)
Net cash provided by financing activities	**412**	292	**2,710**	917
Net change in cash and cash equivalents	**190**	(255)	**1,885**	(269)
Cash, beginning of period	**1,748**	485	**53**	485
Fluctuations in foreign currency	**(2)**	(1)	**(2)**	13
Cash, end of period	**1,936**	229	**1,936**	229
Non-cash transactions				
Conversion of series A preferred shares	**11,750**	-	**11,750**	-
Conversion of convertible debt	**250**	-	**250**	-
Increase in ROU against lease liabilities	**69**	-	**69**	-

The notes are an integral part of these unaudited interim condensed consolidated financial statements.

1. General information

The Real Brokerage Inc. (formerly ADL Ventures Inc.) ("Real" or the "Company") is a technology-powered real estate brokerage firm, licensed in over 22 states with over 1,200 agents. Real offers agents a mobile focused tech-platform to run their business, as well as attractive business terms and wealth building opportunities.

The consolidated operations of Real include the wholly-owned subsidiaries of Real Technology Broker Ltd., Real Broker MA, LLC incorporated on July 11, 2018 under the laws of the state of Delaware, Real Broker CT, LLC incorporated on July 11, 2018 under the laws of the state of Delaware, Real Broker, LLC (formerly Realtyka, LLC) incorporated on October 17, 2014 under the laws of the state of Texas, and Real Brokerage Technologies Inc. (formerly Realtyka Tech Ltd.) incorporated on June 29, 2014 in Israel.

On June 5, 2020, the Company completed the "Qualifying Transaction" under *Policy 2.4 – Capital Pool* Companies of the TSX Venture Exchange ("TSX-V") (see Note 5). Real's common shares are listed on the TSX-V under the symbol REAX.

Effective June 17, 2020, the Company changed its registered office to 133 Richmond Street West, Suite 302, Toronto, Ontario M5H 2L3.

2. Basis of preparation

A. Statement of compliance

The unaudited interim condensed consolidated financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting as issued by the by the International Accounting Standards Board ("IASB"). The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the Company's annual audited consolidated financial statements for the year ended December 31, 2019. These unaudited interim condensed consolidated financial statements were authorized for issuance by the Board of Directors on November 19, 2020.

B. Functional and presentation currency

These unaudited interim condensed consolidated financial statements are presented in U.S. dollars. All amounts have been rounded to the nearest thousands of dollars, unless otherwise noted.

C. Significant judgments, estimates and assumptions

The preparation of Real's unaudited interim condensed consolidated financial statements require management to make judgments, estimates and assumptions that effect the amounts reported. In the process of applying Real's accounting policies, management was required to apply judgment in certain areas. Estimates and assumptions made by management are based on events and circumstances that existed at the unaudited interim condensed consolidated balance sheet date. Accordingly, actual results may differ from these estimates.

The significant judgments, estimates and assumptions in the preparation of the unaudited interim condensed consolidated financial statements are consistent with those followed in the preparation of the Company's annual consolidated financial statements for the years ended December 31, 2019 and 2018.

2. Basis of preparation (cont'd)

D. Basis for segmentation

In measuring its performance, the Company does not distinguish or group its operations on a geographical or on any other basis, and accordingly has a single reportable operating segment. Management has applied judgment by aggregating its operating segments into one single reportable segment for disclosure purposes. Such judgment considers the nature of the operations, and an expectation of operating segments within a reportable segment, which have similar long-term economic characteristics.

The Company's Chief Executive Officer is the chief operating decision maker, and regularly reviews operations and performance on an aggregated basis. The Company does not have any significant customers or any significant groups of customers.

3. Basis of consolidation

i. Subsidiaries

Subsidiaries are entities controlled by the Company. The Company 'controls' an entity when it is exposed to, or has the rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the interim condensed consolidated financial statements from the date on which control commences until the date on which control ceases.

ii. Transactions eliminated on consolidation

Intercompany balances and transactions, and any unrealized income and expenses arising from intercompany transactions, are eliminated. Unrealized losses are eliminated in the same way unrealized gains, but only to the extent there is no evidence of impairment.

4. Significant accounting policies

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the annual consolidated financial statements for the year ended December 31, 2019, except for the adoption of new standards effective as of January 1, 2020.

A. Changes in accounting policies

Amendments to IAS 1, Presentation of Financial Statements ("IAS 1") and IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors ("IAS 8") – Definition of Material

In October 2018, the IASB issued amendments to IAS 1 and IAS 8 to align the definition of "material" across the standards and to clarify certain aspects of the definition. The new definition states that, "Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." These amendments are effective January 1, 2020. The amendments to the definition of material and have not had a significant impact on the Company's interim condensed consolidated financial statements.

4. Significant accounting policies (cont'd)

B. Future changes in accounting policies

The Company monitors the potential changes proposed by the IASB and analyzes the effect that changes in the standards may have on the Company's operations. Standards issued but not yet effective up to the date of issuance of these interim condensed consolidated financial statements are described below. This description is of the standards and interpretations issued that the Company reasonably expects to be applicable at a future date. The Company intends to adopt these standards when they become effective.

IAS 1, Presentation of Financial Statements ("IAS 1")

In January 2010, the IASB issued amendments to IAS 1, Presentation of Financial Statements to clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and is unaffected by expectations about whether or not an entity will exercise their right to defer settlement of a liability. The amendments further clarify that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets, or services. The amendments are effective for annual reporting periods beginning on or after January 1, 2022 and must be applied retrospectively.
The Company is currently evaluating the impact of these amendments on its interim condensed consolidated financial statements and will apply the amendments from the effective date.

5. Qualifying transaction

A. ADL Ventures Inc.

On June 5, 2020, Real completed its transaction with ADL Ventures Inc. ("ADL"), a capital pool company, incorporated under the Business Corporations Act (British Columbia), which constitutes the Company's "Qualifying Transaction" under Policy 2.4 – Capital Pool Companies of the TSX-V.

On March 5, 2020, Real and ADL entered into a securities exchange agreement (the "Securities Exchange Agreement") pursuant to which ADL would acquire all the issued and outstanding securities of Real as part of the Qualifying Transaction. The Securities Exchange Agreement provided for the acquisition of all the issued and outstanding common shares, warrants and options of Real by the Company in exchange for common shares and options of ADL. As a result of the Qualifying Transaction, ADL became the sole beneficial owner of all the outstanding securities of Real.

	Note	Number of options	Number of shares	Value
ADL shares and options issued and outstanding		1,200	9,100	271
Effect of transaction with ADL:				
Increase in value of ADL shares and options issued to shareholders of ADL	*i*	-	-	459
Shares issued pursuant to private placement	*ii*	-	20,758	1,588
Shares and options issued to shareholders of Real	*iii*	5,671	42,144	1,187
Conversion of Real series A preferred shares	*iv*	-	68,460	11,750
Conversion of Real convertible debt	*v*	-	3,295	250
ADL options exercised	*vi*	-	675	2
Effect of transaction on share capital		6,871	144,432	15,507

5. Qualifying transaction (cont'd)

B. Transactions

i. Increase in value of ADL shares and options issued to shareholders of ADL

Accounting for the transaction under IFRS 2, *Share-based payment arrangements*, the fair value of the existing shares and options of ADL are increased by $459, with a corresponding increase in listing expenses (see Note C for further details).

ii. Shares issued pursuant to private placement

Concurrent with the Qualifying Transaction, Real raised $1,588 by way of a private placement of subscription receipts (the "Private Placement"). Each subscription receipt was exercisable into one common share, automatically, and upon completion of the Qualifying Transaction.

The common shares issued pursuant to the Private Placement are subject to a six-month regulatory hold period from the date of closing the Private placement, comprised of a four-month regulatory hold plus a two-month hold period based on contractual lock-up commitments of the subscribers.

iii. Shares and options issued to shareholders of Real

Real had 41,797 ordinary stock and 5,671 options exchanged for ADL common stock on a basis of 1 to 1.0083.

iv. Conversion of Real series A preferred shares

Immediately prior to the Qualifying Transaction, Real series A preferred shares were converted on a one-for-one basis into Real ordinary stock and exchanged for ADL common stock on a basis of 1 to 1.0083.

v. Conversion of convertible debt

On February 17, 2020 and March 31, 2020, Real raised an aggregate of $250 by way of convertible loan, with the principal amounts converted immediately prior to the closing of the transaction at a price per share of $0.07587 which was in turn exchanged into common shares on a basis of 1 to 1.0083.

vi. ADL options exercised

Subsequent to the transaction, 675 of the ADL options were exercised into common shares.

5. Qualifying transaction (cont'd)

C. Reverse asset acquisition

ADL's operations did not constitute a business and therefore the Qualifying Transaction is not within the scope of IFRS 3, *Business combinations*, however, the unaudited interim condensed consolidated financial statements are similar to those under reverse acquisition accounting, with the exception of no goodwill arising on combination. The difference between the fair value of the shares issued by the acquirer and the fair value of the acquiree's identifiable net assets represents a service of listing for its shares under IFRS 2, *Share-based payments* and recognized as an expense in the unaudited interim condensed consolidated statements of loss and comprehensive loss.

The consideration transferred for the acquisition is as follows:

C. Reverse asset acquisition (cont'd)

Fair value of 9,100 post-consolidated ADL shares	696
Fair value of 1,200 post-consolidated ADL options	34
Total value to shareholders	730
Less: recognized assets acquired	(321)
Add: identifiable liabilities assumed	50
Listing expenses	459

Additional $344 expenses for professional fees relating to the Qualifying Transaction were included in Listing expenses in the unaudited interim condensed consolidated statements of loss and comprehensive loss (September 30, 2019 - $nil).

6. Revenue

	Three months ended Sept 30,		Nine months ended Sept 30,	
	2020	2019	2020	2019
Major service lines				
Commissions	3,915	3,474	9,382	11,632
Subscriptions	15	14	38	48
Other	9	31	49	100
Total revenue	3,939	3,519	9,469	11,780
Timing of revenue recognition				
Products transferred at a point in time	3,915	3,474	9,382	11,632
Services transferred over time	15	14	38	48
Revenue from contracts with customers	3,930	3,488	9,420	11,680
Other revenue	9	31	49	100
Total revenue	3,939	3,519	9,469	11,780

7. Expenses by nature

	Three months ended Sep 30,		Nine months ended September 30,	
	2020	**2019**	**2020**	**2019**
Commissions to agents	**3,198**	3,094	**8,063**	10,404
General and administrative	**188**	329	**528**	653
Consultancy	**444**	188	**896**	484
Advertising	**88**	140	**449**	391
Research and development	**75**	67	**147**	226
Salaries and benefits	**152**	3	**331**	246
Stock Based Compensation	**139**	(218)	**336**	26
Depreciation	**10**	3	**59**	85
Dues and subscriptions	**25**	43	**47**	130
Travel	**14**	-	**26**	-
Other	**6**	2	**10**	61
Occupancy costs	**10**	(62)	**21**	8
Total cost of sales, selling expenses, administrative and research and development expenses	**4,349**	3,589	**10,913**	12,714

8. Loss per share

A. Weighted average number of ordinary shares

	Three months ended September 30,		Nine months ended September 30,	
In thousands of shares	**2020**	**2019**	**2020**	**2019**
Issued ordinary shares at beginning of period	**144,434**	41,797	**41,797**	41,797
Effect of Qualifying Transaction	**-**	-	**43,827**	-
Effect of Private Placement	**1,012**	-	**340**	-
Weighted-average number of ordinary shares at September 30,	**145,446**	41,797	**85,964**	41,797

B. Diluted earnings per share

Basic loss per share is calculated by dividing the loss for the period attributable to the equity holders of the Company by the weighted average number of shares outstanding during the period. The potential shares issued through equity settled transactions were considered to be anti-dilutive as they would have decreased the loss per share and were therefore excluded from the calculation of diluted loss per share.

9. Share-based payment arrangements

A. Description of share-based payment arrangements

i. Stock option plan (equity-settled)

On January 20, 2016, the Company established a stock-option plan that entitles key management personnel and employees to purchase shares in the Company. Under the stock-option plan, holders of vested options are entitled to purchase shares based for the exercise price as determined at grant date.

The key terms and conditions related to the grants under these programs are as follows; all options are to be settled by physical delivery of shares.

B. Measurement of fair values

Grant date	Number of instruments	Vesting conditions	Contractual life of options
On March, 2019	30	Immediate	4 years
On March, 2019	283	Quarterly vesting	3 years
On July, 2019	3,523	25% on first anniversary, then quarterly vesting	4 years
On January, 2020	60	25% on first anniversary, then quarterly vesting	4 years
On March, 2020	244	Immediate	4 years
On March, 2020	100	Quarterly vesting	3 years
On March, 2020	280	25% on first anniversary, then quarterly vesting	4 years
On June, 2020	2	Quarterly vesting	5.6 years
On June, 2020	3	Immediate	5.6 years
On June, 2020	4,000	25% on first anniversary, then quarterly vesting	10 years
On June, 2020	450	50 immediately, then quarterly vesting	10 years
On June, 2020	1,400	400 immediately, then quarterly vesting	10 years
On June, 2020	1,123	1 year	10 years
On June, 2020	50	Immediate	10 years
On June, 2020	900	Immediate	7.8 years
On September, 2020	50	Immediate	5.8 years
On September, 2020	499	Quarterly Vesting	5.8 years
	12,997		

The fair value of the stock-options has been measured using the Black-Scholes formula which was also used to determine the Company's share value. Service and non-market performance conditions attached to the arrangements were not considered in measuring fair value. The inputs used in the measurement of the fair values at the grant and measurement date were as follows:

	September 30, 2020	December 31, 2019
Share price	$ 1.65	$0.13
Exercise price	$0.10 to $0.95	$0.13
Expected volatility (weighted-average)	65.0% to 66.1%	66.1%
Expected life (weighted-average)	3 to 10 years	4 years
Expected dividends	–%	–%
Risk-free interest rate (based on government bonds)	1.38%	2.14%

Expected volatility has been based on an evaluation of based on a comparable companies' historical volatility of the share price, particularly over the historical period commensurate with the expected term.

C. Reconciliation of outstanding stock-options

	Number of options September 30, 2020		Weighted-average exercise price September 30, 2020	Number of options December 31, 2019		Weighted-average exercise price December 31, 2019
Outstanding at beginning of period (year)	5,791	$	0.13	5,107	$	0.13
Granted	8,936	$	0.25	684	$	0.13
Exercised	(890)	$	(0.10)	-	$	-
Outstanding at end of period (year)	13,837	$	0.20	5,791	$	0.13
Exerciseable at period (year)	2,625			470		

The stock-options outstanding as at September 30, 2020 had an average exercise price of $0.20 (December 31, 2019: $0.13) and a weighted-average contractual life of 3.6 years (December 31, 2018: 4 years).

ii. Restricted share unit plan

On September 21, 2020, the Company established a restricted share unit plan. Under the plan agents are eligible to receive restricted share units ("RSU's") that vest as common shares of Real. The RSU's are earned in recognition of personal performance and ability to attract agents to Real. The expense recognized in relation to these awards for the period ended September 30, 2020 was $4 and is recorded in stock-based compensation expense on the income statement.

9. Share-based payment arrangements (cont'd)

RSU's purchased in the agent stock purchase plan are based on a percentage of commission withheld to purchase stock. These RSUs are expensed in the period in which those awards are deemed to be earned with a corresponding increase in liability. All awards under this plan are subject to a 12-month holding period. The liability will be classified into equity after the 12-month holding period has passed. The company will grant an additional 25% of shares as a bonus after the 12-month holding period has passed. The bonus RSUs are expensed in the period the original award is deemed earned with a corresponding increase in stock-based compensation reserve.

RSUs earned for capping and attracting and elite agent awards are earned in recognition of personal performance conditions and are subject to a 3-year vesting period. The company recognizes this expense during the applicable vesting period based upon the best available estimate of the number of equity instruments expected to vest with a corresponding increase in stock-based compensation reserve.

10. Trade receivables

	September 30, 2020	December 31, 2019
Trade receivables	202	64
Less: allowance for trade receivables	(32)	(8)
Trade receivables	170	56

Information about the Company's exposure to credit and market risks, and impairment losses for trade receivables is included in Note 17(ii).

11. Cash

	September 30, 2020	December 31, 2019
Bank balances	1,936	53
Restricted cash	44	43
	1,980	96

12. Property and equipment and right-of-use assets

	Right-of-use assets	Computer equipment	Furniture and equipment	Total
Cost				
Balance at December 31, 2019	433	21	65	**519**
Additions	69	4	4	**77**
Balance at September 30, 2020	**502**	**25**	**69**	**596**
Accumulated depreciation				
Balance at December 31, 2019	221	21	64	**306**
Depreciation	66	-	-	**66**
Balance at September 30, 2020	**287**	**21**	**64**	**372**
Carrying amounts				
At December 31, 2019	212	-	1	**213**
At September 30, 2020	**215**	**4**	**5**	**224**

13. Capital and reserves

A. Share capital and share premium

		Ordinary shares		Non-redeemable preference shares	
	Note	September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019
In issue at beginning of period (year)		1,187	1,187	11,750	10,750
Issued for cash		-	-	-	1,000
Conversion	*5*	11,750	-	(11,750)	-
Private placement	*5*	1,588	-	-	-
ADL shares	*5*	730	-	-	-
Conversion of convertible debt	*5*	250	-	-	-
Exercise of stock options	*5*	2	-	-	-
Private placement	*13*	443	-	-	-
In issue at end of period (year) – fully paid		15,950	1,187	-	11,750
Authorized (thousands of shares)		Unlimited	123,000	66,000	66,000

All ordinary shares rank equally with regards to the Company's residual assets. Preference shareholders participate only to the extent of the face value of the shares.

i. Preferred shares

During 2019, the Company completed a private placement of 7,143 series A preferred shares at a price of $0.14. The fair value of preferred shares issued were $1,000.

During 2020, the Company completed the Qualifying Transaction (Note 5) whereby the 68,460 series A preferred shares were converted into common shares.

ii. Private Placement

On August 12, 2020, Real raised an aggregate of $500 ($665 CAD less customary expenses) by way of a non -brokered private placement of 1,900 common shares at a price of $0.35 CAD per common share. The common shares issued in the non-brokered private placement will be subject to a four-month hold period and a six-month contractual lock-up.

14. Loans and borrowings

i. Paycheck Protection Program Loan

On May 5, 2020, the Company entered into a loan agreement with JPMorgan Chase Bank as the lender ("Lender") in an aggregate principal amount of $172 ("PPP Loan") as part of the Paycheck Protection Program under the Coronavirus Aid, Relief, and Economic Security ("CARES") Act. The PPP Loan is evidenced by a promissory note.

Subject to the terms of the promissory note, the PPP Loan bears interest at a rate of 1% per annum, with the first six months of interest deferred, has a term of 2 years, and is unsecured and guaranteed by the Small Business Administration. The Company has applied to the Lender for forgiveness of the PPP Loan, with the amount which may be forgiven equal to the sum of payroll costs, covered rent and mortgage obligations, and covered utility payments incurred by the Company during a predefined period as determined by the CARES Act

15. Capital management

Real defines capital as its equity. The Company's objective when managing capital is:

– to safeguard the ability to continue as a going concern, so that it can continue to provide returns to shareholders and benefits to other stakeholders; and
– to provide adequate return to shareholders by obtaining an appropriate amount of financing commensurate with the level of risk.

The Company sets the amount of capital in proportion to the risk. Real manages its capital structure and adjusts considering changes in economic conditions and the characteristic risk of underlying assets. To maintain or adjust the capital structure, the Company may repurchase shares, return capital to shareholders, issue new shares or sell asset to reduce debt.

Real's objective is met by retaining adequate liquidity to provide the possibility that cash flows from its assets will not be sufficient to meet operational, investing and financing requirements. There have been no changes to the Company's capital management policies during the periods ended September 30, 2020 and 2019.

16. Lease liabilities

	September 30, 2020	December 31, 2019
Maturity analysis – contractual undiscounted cash flows		
Less than one year	90	124
One year to five years	181	106
Total undiscounted lease liabilities	271	230
Lease liabilities included in the balance sheet	235	222
Current	85	122
Non-current	150	100

17. Financial instruments – Fair values and risk management

The Company has exposure to the following risks arising from financial instruments:

– credit risk (see (ii));

– liquidity risk (see (iii)); and

– market risk (see (iv)).

i. Risk management framework

The Company's activity exposes it to a variety of financial risks, including credit risk, liquidity risk and market risk. These financial risks are managed by the Company under policies approved by the Board of Directors. The principal financial risks are actively managed by the Company's finance department, within Board approved policies and guidelines.

17. Financial instruments – Fair values and risk management (cont'd)

On an ongoing basis, the finance department actively monitors the market conditions, with a view of minimizing exposure of the Company to changing market factors, while at the same time limiting the funding costs of the Company. The Company's audit committee oversees how management monitors compliance with the risk management policies and procedures and review the adequacy of the risk management framework in relation to the risks faced by the Company.

ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers. The receivables are processed through an intermediary trustee, as part of the structure of every deal, which ensures collection on the close of a successful transaction. To mitigate the residual risk, the Company contracts exclusively with reputable and credit-worthy partners.

The carrying amount of financial assets and contract assets represents the maximum credit exposure.

The risk management committee has established a credit policy under which each new customer is analyzed individually for creditworthiness before the Company's standard payment and terms and conditions are offered.

The Company does not require collateral in respect to trade and other receivables. The Company does not have trade receivable and contract assets for which no loss allowance is recognized because of collateral. As at September 30, 2020, the exposure to credit risk for trade receivables of $85 is limited to U.S. only and there is no material receivables from other geographical region.

The Company uses an allowance matrix to measure the ECLs of trade receivables from individual customers, which comprise a very large number of small balances.

iii. Liquidity risk

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off. Roll rates are calculated separately for exposures in different segments based on the following common credit risk characteristics – geographic region, credit information about the customer and the type of home purchased.

Loss rates are based on actual credit loss experience. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions of the Company's view of economic conditions over the expected lives of the receivables.

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to maintaining liquidity is to ensure, as far as possible, that it will have sufficient cash and cash equivalents and other liquid assets to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

17. Financial instruments – Fair values and risk management (cont'd)

iv. Market risk

Market risk is the risk that changes in market prices – e.g. foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Currency risk

The Company is exposed to transactional foreign currency risk to the extent there is a mismatch between currencies in which purchases and receivables are denominated and the respective functional currencies of the Company. The currencies in which transactions are primarily denominated are U.S. dollars and Israeli Shekels.

Exposure to currency risk

The summary of quantitative data about the Company's exposure to currency risk as reported to management of the Company is as follows.

	September 30, 2020	December 31, 2019
US	201	64
Other regions	-	-
	201	64

The following significant exchange rates have been applied.

	Average rate		Period-end spot rate	
	September 30, 2020	December 31, 2019	September 30, 2020	December 31, 2019
ILS 1	0.29	0.28	0.29	0.29

Sensitivity analysis

A reasonably possible strengthening (weakening) of the U.S. dollar or Israeli shekel against all other currencies as at September 30, 2020 would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular, interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Average rate		Year-end spot rate	
	Strengthening	Weakening	Strengthening	Weakening
September 30, 2020				
ILS (5% movement)	-	-	-	-
December 31, 2019				
ILS (5% movement)	101	(101)	94	(94)

18. Commitments and contingencies

The Company may have various other contractual obligations in the normal course of operations. The Company is not contingently liable with respect to litigation, claims and environmental matters, including those that could result in mandatory damages or other relief. Any expected settlement of claims in excess of amounts recorded will be charged to profit or loss as and when such determination is made.

19. Related parties

Executive officers participate in the Company's stock option program (see Note 9(A)(i)). Furthermore, real estate agents of the Company are entitled to participate in the stock option program if they meet certain eligibility criteria. Directors or Officers of the Company control 20% of the voting shares of the Company.

	September 30, 2020	September 30, 2019
Salaries and benefits	488	327
Short-term employee benefits	6	4
Consultancy	44	10
Share-based payments	336	26
	874	367

20. Subsequent events

A. Coronavirus ("COVID-19")

Since December 31, 2019, the outbreak of the novel string of coronavirus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused a material interruption to businesses, resulting in a global economic slowdown.

The global equity markets have experienced significant volatility and weakness, with the government and central bank reacting with significant monetary and fiscal interventions designed to stabilize the economic conditions. The duration and impact of COVID-19 is unknown, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of those developments and the impact on the financial results and condition of the Company and its operating subsidiaries in future periods.

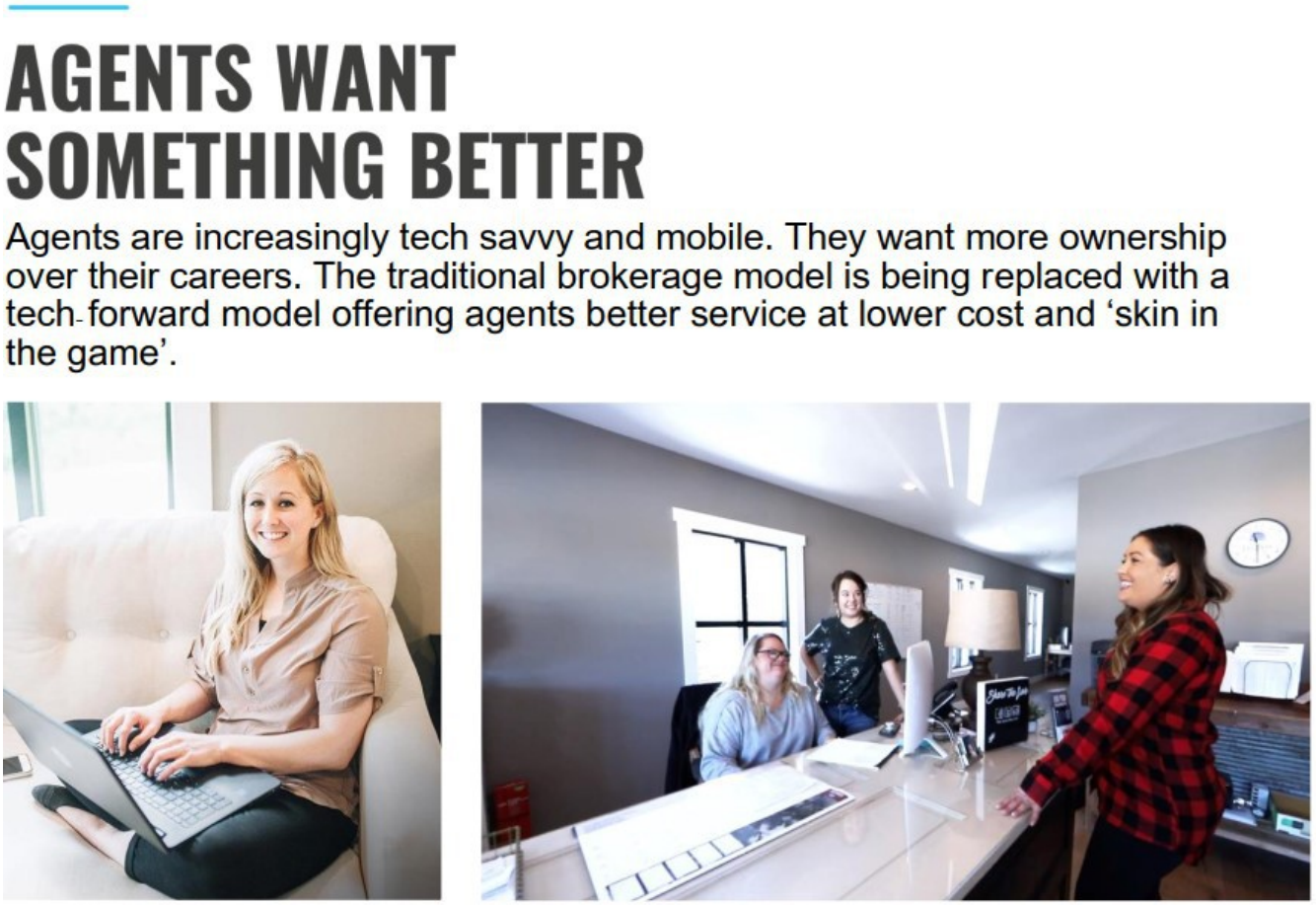
The Real Brokerage Inc.

Management's Discussion and Analysis

For the period ended September 30, 2020

Corporate Profile

Agents are increasingly tech savvy and mobile. They want more ownership over their careers. The traditional brokerage model is being replaced with a tech-forward model offering agents better service at lower cost and 'skin in the game'.

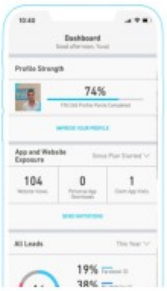


Our Mission

Always find ways to make agents' lives better. ..

1. KEEP MORE COMMISSION.

Our unique compensation structure favors the agent allowing them to keep 85%-100% of commissions.

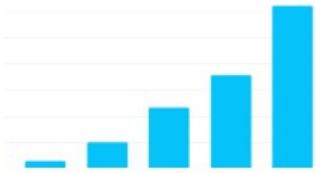


2. STAY MOBILE.

We are 100% mobile – so our agents are flexible and never tied down.

3. BUILD EQUITY.

Agents can earn equity through the Company's incentive program that allows them to share in the wealth as they help to build a more valuable company.



4. EARN MORE WITH REVENUE SHARING.

Agents can earn a share of revenue generated by agents referred to Real.

Each referral earns an agent 5% of Real's portion of an agents' CGI up to an annual cap.

	REFERRAL BONUS GCI %	NUMBER OF TIER 1 REQUIRED TO UNLOCK TIER	MAX/AGENT PER YEAR
Tier 1	5% up to annual cap	1+ producing agents	$4,000
Tier 2	4% up to annual cap	10+ producing agents	$3,200
Tier 3	3% up to annual cap	15+ producing agents	$2,400
Tier 4	2% up to annual cap	20+ producing agents	$1,600
Tier 5	1% up to annual cap	25+ producing agents	$800

Agents must be producing. Agents are considered producing in their first 6 months at Real. After that, they need to produce $450 in revenue to Real in the prior 6 months to remain in producing status.

Other Highlights

Real was founded in 2014 and headquartered in New York City. We provide brokerage services for the real estate market in the United States.

We are licensed in 22 states plus D.C. and are expanding rapidly.

Our network of agents allows for strong relationship building, access to a nationwide referral network and allows them to take advantage of seamless team expansion opportunities.

22
Licensed states, Q3 2020

1282
Licensed agents, Q3 2020

$9.5m
Revenues YTD 2020

$356m
Value closed deals YTD 2020

Introduction

This Management's Discussion and Analysis ("MD&A") is provided to enable a reader to assess the results of operations and financial condition of The Real Brokerage Inc. (formerly ADL Ventures Inc.) ("Real" or the "Company"). for the period ended September 30, 2020 and 2019. This MD&A is dated November 15, 2020 and should be read in conjunction with the unaudited interim condensed financial statements and related notes for the period ended September 30, 2020 and 2019 ("Financial Statements"). Unless the context indicates otherwise, references to "Real", "the Company", "we", "us" and "our" in this MD&A refer to The Real Brokerage Inc. and its operations.

Forward-looking information

Certain information included in this MD&A contains forward-looking information within the meaning of applicable Canadian securities laws. This information includes, but is not limited to, statements made in Business Overview and Strategy, Results from Operations, and other statements concerning Real's objectives, its strategies to achieve those objectives, as well as statements with respect to management's beliefs, plans, estimates and intentions, and similar statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical facts. Forward-looking information generally can be identified by the use of forward-looking terminology such as "outlook", "objective", "may", "will", "would", "expect", "intend", "estimate", "anticipate", "believe", "should", "plan", "continue", or similar expressions suggesting future outcomes or events or the negative thereof. Such forward-looking information reflects management's current beliefs and is based on information currently available. All forward-looking information in this MD&A is qualified by the following cautionary statements.

Forward looking information necessarily involves known and unknown risks and uncertainties, which may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, assumptions may not be correct and objectives, strategic goals and priorities may not be achieved. A variety of factors, many of which are beyond Real's control, affect the operations, performance and results of the Company and its subsidiaries, and could call actual results to differ materially from current expectations of estimated or anticipated events or results.

Although Real believes that the expectations reflected in such forward-looking information are reasonable and represent the Company's projections, expectations and beliefs at this time, such information involves known and unknown risks and uncertainties which may cause the Company's actual performance and results in future periods to differ materially from any estimates or projections of future performance or results expressed or implied by such forward-looking information. See Risks and Uncertainties for further information. The reader is cautioned to consider these factors, uncertainties, and potential events carefully and not to put undue reliance on forward-looking information, as there can be no assurance that actual results will be consistent with such forward-looking information.

The forward-looking information included in this MD&A is made as of the date of this MD&A and should not be relied upon as representing Real's views as of any date subsequent to the date of this MD&A. Management undertakes no obligation, except as required by applicable law, to publicly update or revise any forward-looking information, whether as a result of new information, future events or otherwise.

Business overview and strategy

Real is a growing multistate technology-powered real estate brokerage in the United States. We focus our operations on development of technology that helps real estate agents perform better as well as building a scalable, efficient brokerage operation that is not dependent on a cost-heavy brick and mortar presence in the markets that we operate in.

Business overview and strategy (cont'd)

As a licensed real estate brokerage, our revenue is generated, primarily, by processing real estate transactions which entitle us to commissions. We pay a portion of our commission revenue to our agents and brokers.

Our strength is our ability to offer real estate agents a higher value, at a lower cost, compared to other brokerages, while operating efficiently and scaling quickly.

Recent developments

Listing on OTCQX Best Market

On August 11, 2020, Real's common shares were approved for listing by OTC Markets Group and commenced trading on the OTCQX Best Market under the symbol "REAXF".

Private Placement

On August 12, 2020, Real closed a non-brokered private placement offering of 1,900,000 common shares of Real at a price of $0.35 per common share for aggregate gross proceeds of $500. Real intends to use the proceeds for sales, marketing and general working capital purposes.

Finance and Operations Leaders

On August 25, Michelle Ressler joined the company's executive team as Vice President of Finance and real estate leaders Sheila Dunagan and Ron Dunagan joined as Vice President of Brokerage Operations and Director of Operations, respectively, with the goal of scaling Real's finance and operations functions.

On October 15, Michelle Ressler was appointed as chief financial officer ("CFO") effective immediately, replacing Gus Patel. Prior to joining Real, Michelle was the controller at Canaccord Genuity Inc., where she helped scale financial operations following a merger and grew the finance department.

Based in Dallas, Texas, Sheila and Ron Dunagan bring to Real decades of experience in residential real estate and operational excellence in high-growth companies. Most recently, Sheila was the designated broker for the state of Texas at eXp Realty, LLC ("eXp"), and Ron was regional operations manager for the western U.S. at eXp. In their respective roles, the Dunagans helped grow Texas from 2 agents in 2015 to over 4,100 in 2020, with over 32,000 transactions and $6.4 billion in closed sales volume in 2019. Prior to eXp, the Dunagans were agents at Keller Williams, where they were members of the agent leadership counsel. Sheila Dunagan also owned and operated an insurance company that doubled year-over-year revenue three years in a row.

Agent Stock Incentive

On September 21, 2020, the TSX Venture Exchange provided final acceptance of certain amendments to Real's stock option plan (the "Stock Option Plan") and new restricted share unit plan (the "RSU Plan") following the approval of Real shareholders at its annual and special meeting of shareholders held on August 20, 2020. In light of these approvals, Real launched a new agent compensation plan to incentivize real estate agents who contribute to Real's continued growth and success.

Real agents are eligible to receive stock options exercisable for common shares of Real under the Stock Option Plan and restricted share units that vest as common shares of Real under the RSU Plan. Agents can earn these stock-based incentives in recognition of their personal performance and ability to attract agents to Real.

Business overview and strategy (cont'd)

Recent developments (cont'd)

State Expansion

On Oct 6, Real expanded to the state of Alaska with the addition of a top Anchorage real estate team and agents.

Business Strategy

Revenue-share model

As the vast majority of real estate agents are independent contractors, we believe that it is our responsibility to create multiple revenue sources and improve financial opportunities for agents. Our attractive commission split coupled with the equity incentives for agents provide great opportunities. We are now offering agents the opportunity to earn revenue-share, paid out of Real's portion of commissions, for new agents that they personally refer to Real. The program launched in November 2019 is having a positive impact on our agent count and revenue growth.

Focus on teams

Real estate teams operate as "brokerages inside a brokerage". A team is typically formed by a high producing agent who attracts other agents to work with them and enjoy the lead flow and mentoring provided by the team leader. To attract teams, we enhanced our team offering to include the full benefits of revenue sharing and the equity program to allow brokers and agents a financial mechanism to build teams across geographical boundaries in any of the markets that we serve without incurring any expense, oversight responsibility, or liability while preserving and enhancing the agents and brokers' personal brands. These changes are having a positive impact on our agent count that we expect will result in revenue growth.

Path to profitability

We continue to analyze and monitor our spend and operational expenses, developing internal tools and processes for more efficient transaction processing and support, focused our geographic footprint, terminated the affiliation of non-producing agents who had been with us for a long period and closely monitored our return-on-investment in various marketing channels.

Tracking agent satisfaction

Agents' satisfaction is top-of-mind for Real and we use the Net Promoter Score® ("NPS") surveys for measurement and tracking. NPS is a measure of customer satisfaction and is measured on a scale between (100) and 100. An NPS above 50 is considered excellent. The question we ask is "On a scale of zero to ten, how likely are you to recommend Real as a potential brokerage firm to other agents?". Our most recent NPS is 67.7, a strong indication to a very high level of satisfaction amongst our agents. We believe that NPS surveys help in ensuring we are delivering on the most important services and value to our agents. A high level of satisfaction contributes to the brand and organic growth of Real.

Objectives

Real seeks to become one of leading real estate brokerages in the United States. Using our proprietary technology, we look to provide agents with all the tools they need in order to manage and market their business and succeed. Real plans to accomplish this through: (i) proprietary integration of technology and tools focused on facilitating and improving tasks performed by agents. (ii) the offering of attractive business terms to agents and creation of multiple potential revenue streams for agents (iii) providing excellent support and service to our agents (iv) the creation of a nationwide collaborative community of agents. Leveraging the engagement of real estate agents and home buyers and sellers, Real will seek to generate revenue through a variety of different channels.

Objectives (cont'd)

Presentation of financial information and non-IFRS measures

Presentation of financial information

Unless otherwise specified herein, financial results, including historical comparatives, contained in this MD&A are based on Real's Financial Statements, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and the interpretations of the IFRS Interpretations Committee ("IFIRC"). Unless otherwise specified, amounts are in Canadian dollars and percentage changes are calculated using whole numbers.

Non-IFRS measures

In addition to the reported IFRS measures, industry practice is to evaluate entities giving consideration to certain non-IFRS performance measures, such as earnings before interest, taxes, depreciation and amortization ("EBITDA") or adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA").

Management believes that these measures are helpful to investors because they are measures that the Company uses to measure performance relative to other entities. In addition to IFRS results, these measures are also used internally to measure the operating performance of the Company.

These measures are not in accordance with IFRS and have no standardized definitions, and as such, our computations of these non-IFRS measures may not be comparable to measures by other reporting issuers. In addition, Real's method of calculating non-IFRS measures may differ from other reporting issuers, and accordingly, may not be comparable.

Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA")

EBITDA is used as an alternative to net income because it includes major non-cash items such as interest, taxes and amortization, which management considers non-operating in nature. A reconciliation of EBITDA to IFRS net income is presented under the section Results from Operations of this MD&A.

Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization ("Adjusted EBITDA")

Adjusted EBITDA is used as an alternative to net income because it excludes major non-cash items such as amortization, interest, stock-based compensation, current and deferred income tax expenses and other items management considers non-operating in nature. A reconciliation of adjusted EBITDA to IFRS net income is presented under section Results from Operations of this MD&A.

Results from operations

Select annual information

For the period ended September 30,	**2020**	**2019**
Operating results		
Loss before tax	**(2,275)**	(1,768)
Net loss and comprehensive loss	**(2,275)**	(1,768)
Per share basis		
Basic and diluted loss per share	**(0.026)**	(0.042)

As at	*Note*	**September 30, 2020**	**December 31, 2019**
Total assets		**2,455**	408
Total debt	*(ii)*	**1,514**	598
Debt to total assets	*(i) (iii)*	**62%**	147%
EBITDA	*(i) (iv)*	**(2,187)**	(1,240)
Adjusted EBITDA	*(i) (iv)*	**(1,392)**	(1,214)

(i) Represents a non-IFRS measure. Real's method for calculating non-IFRS measures may differ from other reporting issuers' methods and accordingly may not be comparable. For definitions and basis of presentation of Real's non-IFRS measures, refer to the non-IFRS measures section of this MD&A.
(ii) Total debt is defined as accounts payable and other financial liabilities, less preferred equity.
(iii) Debt to total assets is a non-IFRS measure and is calculated as total debt divided by total assets.
(iv) EBITDA and Adjusted EBITDA is calculated on a trailing twelve month basis. Refer to non-IFRS measures section of this MD&A for further details.

For the nine months ended September 30, 2020, total revenues amounted to $9,469 compared to $11,780 for the nine months ended September 30, 2019. The decrease in revenues attributable to a one-time commercial lease sale of $2,636 closed in Q1 2019 as well as the impact of COVID-19 on the national real estate market. We are continuing to increase our investment in productive agents on our platform which will continue to translate into a larger transaction volume closed by our agents.

Results from operations (cont'd)

A further breakdown in revenues generated during the year is included below:

	Three months ended Sept 30,		Nine months ended Sept 30,	
	2020	**2019**	**2020**	**2019**
Major service lines				
Commissions	**3,915**	3,474	**9,382**	11,632
Subscriptions	**15**	14	**38**	48
Other	**9**	31	**49**	100
Total revenue	**3,939**	3,519	**9,469**	11,780
Timing of revenue recognition				
Products transferred at a point in time	**3,915**	3,474	**9,382**	11,632
Services transferred over time	**15**	14	**38**	48
Revenue from contracts with customers	**3,930**	3,488	**9,420**	11,680
Other revenue	**9**	31	**49**	100
Total revenue	**3,939**	3,519	**9,469**	11,780

A further breakdown in expenses during the year is included below:

	Three months ended Sep 30,		Nine months ended September 30,	
	2020	**2019**	**2020**	**2019**
Commissions to agents	**3,198**	3,094	**8,063**	10,404
General and administrative	**188**	329	**528**	653
Consultancy	**444**	188	**896**	484
Advertising	**88**	140	**449**	391
Research and development	**75**	67	**147**	226
Salaries and benefits	**152**	3	**331**	246
Stock Based Compensation	**139**	(218)	**336**	26
Depreciation	**10**	3	**59**	85
Dues and subscriptions	**25**	43	**47**	130
Travel	**14**	-	**26**	-
Other	**6**	2	**10**	61
Occupancy costs	**10**	(62)	**21**	8
Total cost of sales, selling expenses, administrative and research and development expenses	**4,349**	3,589	**10,913**	12,714

We believe that growth can and should be balanced with profits and therefore plan and monitor our spend responsibly to ensure we decrease our loss and work towards being EBITDA positive. Our loss as a percentage of total revenue was 23% for the nine months ended September 30, 2020 and 15% for the nine months ended September 30, 2019. This was primarily due to an increase in administrative expenses as a result of our go-public transaction.

For the nine month period ended September 30,	**2020**	**2019**
Revenues	**9,469**	11,780
Commissions to agents	**8,063**	10,404
Commissions to agents as a percentage of revenues	**85%**	88%

Results from operations (cont'd)

The commissions paid to agents for the nine months ended September 30, 2020 was $8,063 in comparison to $10,404 for the nine months ended September 30, 2019. The significant decrease is a result of a one-time commercial lease in the prior period. We typically pay our agents 85% of the gross commission earned on every real estate transaction and, as the total revenue increases, the total commission to agents' expense increases accordingly.

Our general and administrative costs for the nine months ended September 30, 2020 was $528 in comparison to $653 for the nine months ended September 30, 2019. The decrease in general and administrative expenses were generally in line with the prior period.

Our consultancy expenses for the nine months ended September 30, 2020 was $896 in comparison to $484 for the nine months ended September 30, 2019. The increase in consultancy expenses was primarily due to legal and professional fees in connection with the listing on the TSX Venture Exchange and OTCQX Best Market.

Our advertising costs increased for the nine months ended September 30, 2020 was $449 compared to $391 for the nine months ended September 30, 2019 due to our efforts to attract agents. We track the performance of each of these channels and constantly optimize spending. We advertise on multiple online platforms and websites such as Google Adwords, Facebook and Indeed.

At September 30, 2020, Real had 18 full time employees which was a decrease from the employee headcount at September 30, 2019. The decrease was mainly attributed to automation implemented and software that replaced manual work.

We are charging a small portion of our agents a monthly subscription fee of $40 or $100 as a result of a pilot project we conducted in the summer of 2017. The intention was to explore how charging a monthly fee would affect the type of agents joining us and resulted in the conclusion that introducing a mandatory monthly fee negatively affects agent recruiting and revenue in general. In addition, some agents pay us a monthly subscription for using value-added software tools such as customer relationship management software.

Summary of Quarterly Information

The following table provides selected quarterly financial information for the three most recently completed financial quarters ended September 30, 2020. This information is unaudited but reflects all adjustments of a recurring nature that are, in the opinion of management, necessary to present a fair statement of the results of operations for the periods presented. Quarter-to-quarter comparisons of financial results are not necessarily meaningful and should not be relied upon as an indication of future performance.

	2020		
	Q3	Q2	Q1
Revenue	3,939	2,594	2,936
Bad debt expense			
Cost of sales	3,198	2,313	2,552
Cost of sales	3,198	2,313	2,552
Gross profit	741	281	383
Administrative expenses	988	482	784
Selling expenses	88	209	152
Research and development expenses	75	49	23
Other income	-	(1)	-
Operating loss	(410)	(458)	(575)
Listing expenses	-	803	-
Finance costs (income). Net	12	15	1
Loss before tax	(422)	(1,276)	(577)
Income taxes	-		
Net Loss	(422)	(1,276)	(577)
Total loss and comprehensive loss	(422)	(1,276)	(577)
Earnings per share			
Basic and diluted loss per share	(0.013)	(0.080)	(0.006)

Quarterly trends and risks

Our quarterly results are dependent on the economic conditions within the markets for which we operate. The Company's revenue and income can experience considerable variations from quarter to quarter and year to year due to factors beyond the Company's control. The business is affected by the overall conditions of the real estate market, influenced primarily by economic growth, interest rates, unemployment, inventory, and mortgage rate volatility. The Company's revenue from a real estate transaction is recorded only when a real estate transaction has been closed. Consequently, the timing of revenue recognition can materially affect quarterly results.

Revenue for Q3 2020 increased by 52% over the previous quarter. For the first half of 2020, the COVID-19 pandemic adversely affected the Company's business and business worldwide. However, the impact to the Company for the nine months ended September 30, 2020 has been less significant than expected. The Company is positioned to continue to grow despite the fluctuations in economic activity resulting from COVID-19.

Liquidity and capital resources

Liquidity and cash management

Our primary sources of liquidity are cash and cash flows from operations as well as cash raised from investors in exchange for issuance of shares. The Company expects to meet all of its obligations and other commitments as they become due. The Company has various financing sources to fund operations and will continue to fund working capital needs through these sources along with cash flows generated from operating activities.

At September 30, 2020, our cash totaled $1,936. Cash is comprised of financial instruments with an original maturity of 90 days or less from the date of purchase, primarily money market funds. We hold no marketable securities.

Financial Instruments

A significant portion of the Company's assets are comprised of financial instruments. Cash held in deposit accounts is measured at amortized cost. Investments in money market funds are held at fair value through profit or loss. These financial instruments are subject to insignificant risk of changes in value.

Financing activities

We believe that our existing balances of cash and cash flows expected to be generated from our operations will be sufficient to satisfy our operating requirements for at least the next eighteen months.

Our future capital requirements will depend on many factors, including our level of investment in technology, our rate of growth into new markets and our marketing efforts. Our capital requirements may be affected by factors which we cannot control such as the residential real estate market, interest rates, and other monetary and fiscal policy changes to the manner in which we currently operate. To support and achieve our future growth plans, however, we may need or seek advantageously to obtain additional funding through equity or debt financing. If we are unable to raise additional capital when desired, our business and results of operations would likely suffer.

The following table presents liquidity as a percentage of debt:

As at,	**September 30, 2020**	**December 31, 2019**
Cash	**1,936**	53
Restricted cash	**44**	43
Other receivables	**22**	10
Liquidity	**2,002**	106
Loans and borrowings	**172**	-
Debt	**172**	-
Liquidity expressed as a percentage of debt	**1164%**	0%

The Company's debt obligations can be funded by cash, restricted cash, other receivables and revenues from operations.

Contractual obligations

As at September 30, 2020 the Company had no guarantees, leases, off-balance sheet arrangements other than those noted in our results from operations. We have a lease for our New York office that expires on June 30, 2023. The monthly rent expense per the lease for the period ended September 30, 2020 is $7 per month.

Liquidity and capital resources (cont'd)

Capital management framework

Real defines capital as the aggregate of debt and equity. The Company's capital management framework is designed to maintain a level of capital that funds the operations and business strategies and builds long-term shareholder value.

The Company's objective is to manage its capital structure in such a way as to diversify its funding sources, while minimizing its funding costs and risks. For 2020, Real expects to be able to satisfy all of its financing requirements through use of some or all of the following: cash on hand, cash generated by operations and through the public and private offerings of equity securities.

Other metrics

Earnings before interest, taxes, depreciation and amortization ("EBITDA")

	Three months ended September 30,		Nine months ended September30,	
	2020	**2019**	**2020**	**2019**
Net loss and comprehensive loss	**(422)**	(901)	**(2,275)**	(1,768)
Add (deduct):				
– Taxes	**-**	-	**-**	-
– Interest	**12**	440	**29**	443
– Depreciation	**10**	3	**59**	85
EBITDA	**(400)**	(458)	**(2,187)**	(1,240)

Adjusted earnings before interest, taxes, depreciation and amortization ("EBITDA")

	Three months ended September 30,		Nine months ended September30,	
			2020	**2019**
Net loss and comprehensive loss	**(422)**	(901)	**(2,275)**	(1,768)
Add (deduct):				
– Taxes	**-**	-	**-**	-
– Interest	**12**	440	**29**	443
– Depreciation	**10**	3	**59**	85
– Stock-based compensation	**139**	(218)	**336**	26
– Listing expenses	**-**	-	**459**	-
Adjusted EBITDA	**(261)**	(676)	**(1,392)**	(1,214)

Significant accounting policies and other explanatory information

The preparation of the Financial Statements requires management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses and the related disclosures as of the date of the Company's interim condensed consolidated financial statements. Actual results may differ from estimates under different assumptions and conditions.

Significant judgments include the timing of revenue recognition and consolidation adjustments. Our significant judgments have been reviewed and approved by the Audit Committee for completeness of disclosure on what management believes would be relevant and useful to investors in interpreting the amounts and disclosures in our interim condensed consolidated financial statements.

Changes in accounting policies

Amendments to IAS 1, Presentation of Financial Statements ("IAS 1") and IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors ("IAS 8") – Definition of Material

In October 2018, the IASB issued amendments to IAS 1 and IAS 8 to align the definition of "material" across the standards and to clarify certain aspects of the definition. The new definition states that, "Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." These amendments are effective January 1, 2020. The amendments to the definition of material and have not had a significant impact on the Company's Financial Statements.

Future changes in accounting policies

The Company monitors the potential changes proposed by the IASB and analyzes the effect that changes in the standards may have on the Company's operations. Standards issued but not yet effective up to the date of issuance of the Financial Statements are described below. This description is of the standards and interpretations issued that the Company reasonably expects to be applicable at a future date. The Company intends to adopt these standards when they become effective.

IAS 1, Presentation of Financial Statements ("IAS 1")

In January 2020, the IASB issued amendments to IAS 1, Presentation of Financial Statements to clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and is unaffected by expectations about whether or not an entity will exercise their right to defer settlement of a liability.

The amendments further clarify that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets, or services. The amendments are effective for annual reporting periods beginning on or after January 1, 2022 and must be applied retrospectively.

The Company is currently evaluating the impact of these amendments on its Financial Statements and will apply the amendments from the effective date.

Disclosure controls and procedures and internal control over financial reporting

Disclosure controls and procedures

The CEO and CFO have designed or caused to design controls to provide reasonable assurance that: (i) material information relating to the Company is made known to management by others, particularly during the period in which the annual and interim filings are being prepared; and (ii) information required to be disclosed by the Company in its annual and interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time frame specified in the securities legislation.

Based on the evaluations, the CEO and CFO have concluded that the Company's disclosure controls and procedures were adequate and effective.

Internal control over financial reporting

Real has established internal controls over financial reporting to provide reasonable assurance regarding the reliability of the Company's financial reporting and the preparation of the Financial Statements for external purposes in accordance with IFRS. Management, including the Company's CEO and CFO, have determined that as at September 30, 2020 and 2019, the internal controls over financial reporting were effective.

Inherent limitations

It should be noted that in a control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Given the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues, including instances of fraud, if any, have been detected. These inherent limitations include, among other items: (i) that management's assumptions and judgments could ultimately prove to be incorrect under varying conditions and circumstances; (ii) the impact of any undetected errors; and (iii) controls may be circumvented by unauthorized acts of individuals, by collusion of two or more people, or by management override.

Key management compensation

The Company's key management personnel are comprised of the Board of Directors and current members of the executive team, the Chief Executive Officer, the Chief Financial Officer and the Chief Marketing Officer. Key management personnel compensation for the period consistent of the following:

	September 30, 2020	September 30, 2019
Salaries and benefits	488	327
Short-term employee benefits	6	4
Consultancy	44	10
Share-based payments	336	26
	874	367

Executive officers participate in the Company's incentive program. Furthermore, real estate agents of the Company are entitled to participate in the incentive program if they meet certain eligibility criteria.

Market conditions and industry trends

General

Throughout the nine months ended September 30, 2020, home buyers leveraged decreasing interest rates to purchase homes at an increased level. The consensus amongst economists is that interest rates will remain under 4% during 2020, which is likely to support an increasing demand from home buyers.

Our performance during the period was affected by the overall economic situation created by COVID-19 and the social distancing requirements that prevented many of our agents to serve their clients as they have done before. According to the National Association of Realtors ("NAR"), social distancing measures and overall COVID-19 impact is leading to fewer homebuyers, as well as listings being delayed. The economic uncertainty is adding caution to the market.

According to the NAR housing statistics, existing home sales fell 17.8% in April 2020 (compared to March 2020) and continued to decline by 9.7% in May 2020 (26.6% drop compared to May 2019). Conversely, in June 2020 existing home sales increased by a record 20.7%. The NAR reported that pending home sales had a record comeback in May 2020 of 44.3% which continued to increase another 16.6% in June 2020. In September 2020 existing home sales continued to increase by 9.4% from August 2020 and 21% from September 2019.

Market conditions and industry trends (cont'd)

The impressive increase in pending home sales in June and September of 2020 is encouraging as pending home sales are a forward-looking indicator of future home sales. Inventory

Low mortgage rates fueling increased demand have been causing inventory shortages in many markets, creating a challenging environment for home buyers. According to the NAR, inventory of existing homes for sale in the U.S. was $1,470 (preliminary) as of September 2020 compared to $1,820 at the end of September 2019. Subsequently, NAR indicated the need for new home construction due to the high demand of homes and the record-low inventory levels.

Mortgage rates

According to the NAR, mortgage rates on commitments for 30-year, conventional, fixed-rate mortgages averaged 2.95% for the third quarter of 2020, compared to 3.65% for the third quarter of 2019. Mortgage rates are expected to decrease further. Some lenders have increased their rates to account for the risk and overall financial uncertainty. Low mortgage rates are pushing buyers into the market as well as driving an increase in refinance applications.

Risks and uncertainties

There are a number of risk factors that could cause future results to differ materially from those described herein. The risks and uncertainties described herein are not the only ones the Company faces. Additional risks and uncertainties, including those that the Company does not know about as of the date of this MD&A, or that it currently deems immaterial, may also adversely affect the Company's business. If any of the following risks actually occur, the Company's business may be harmed, and its financial condition and the results of operation may suffer significantly.

Risks and uncertainties (cont'd)

Limited operating history

Our limited operating history makes it difficult for potential investors to evaluate our business or prospective operations. As an early stage company, we are subject to all the risks inherent in the initial organization, financing, expenditures, complications and delays inherent in a new business. Investors should evaluate an investment in us in light of the uncertainties encountered by developing companies in a competitive and evolving environment. Our business is dependent upon the implementation of our business plan. We may not be successful in implementing such plan and cannot guarantee that, if implemented, we will ultimately be able to attain profitability.

Rapid Growth

Real may not be able to scale its business quickly enough to meet the growing needs of its affiliated real estate professionals and if Real is not able to grow efficiently, its operating results could be harmed. As Real adds new real estate professionals, Real will need to devote additional financial and human resources to improving its internal systems, integrating with third- party systems, and maintaining infrastructure performance. In addition, Real will need to appropriately scale its internal business systems and our services organization, including support of our affiliated real estate professionals as its demographics expand over time. Any failure of or delay in these efforts could cause impaired system performance and reduced real estate professional satisfaction. These issues could reduce the attractiveness of Real to existing real estate professionals who might leave Real and result in decreased attraction of new real estate professionals and reduced revenue and financial results.

Additional financing

From time to time, Real may need additional financing to operate or grow its business. The ability to continue as a going concern may be dependent upon raising additional capital from time-to-time to fund operations. Real's ability to obtain additional financing, if and when required, will depend on investor and lender willingness, its operating performance, the condition of the capital markets and other facts, and Real cannot assure anyone that additional financing will be available

to it on favorable terms when required, or at all. If Real raises additional funds through the issuance of equity, equity-linked or debt securities, those securities may have rights, preferences or privileges senior to the rights of its current stock, and its existing stockholders may experience dilution. If Real is unable to obtain adequate financing or financing on terms satisfactory to it when it requires it, its ability to continue to support the operation or growth of its business could be significantly impaired and its operating results may be harmed.

Reliance on United States real estate market

Real's financial performance is closely tied to the strength of the residential real estate market in the United States, which is cyclical in nature and typically is affected by changes in conditions that are beyond Real's control. Macroeconomic conditions that could adversely impact the growth of the real estate market and have a material adverse effect on our business include, but are not limited to, economic slowdown or recession, increased unemployment, increased energy costs, reductions in the availability of credit or higher interest rates, increased costs of obtaining mortgages, an increase in foreclosure activity, inflation, disruptions in capital markets, declines in the stock market, adverse tax policies or changes in other regulations, lower consumer confidence, lower wage and salary levels, or the public perception that any of these events may occur. Unfavorable general economic conditions in the United States or other markets Real enters and operates within could negatively affect the affordability of, and consumer demand for, our services which could have a material adverse effect on our business and profitability. In addition, federal and state governments, agencies and government-sponsored entities could take actions that result in unforeseen consequences to the real estate market or that otherwise could negatively impact Real's business.

Risks and uncertainties (cont'd)

Regulation of United States real estate market

Real operates in the real estate industry which is a heavily regulated industry subject to complex, federal, state, provincial and local laws and regulations and third-party organizations' regulations, policies and bylaws. Generally, the laws, rules and regulations that apply to Real's business practices include, without limitation, RESPA, the federal Fair Housing Act, the Dodd-Frank Act, and federal advertising and other laws, as well as comparable state statutes; rules of trade organizations such as NAR, local MLSs, and state and local AORs; licensing requirements and related obligations that could arise from our business practices relating to the provision of services other than real estate brokerage services; privacy regulations relating to our use of personal information collected from the registered users of our websites; laws relating to the use and publication of information through the Internet; and state real estate brokerage licensing requirements, as well as statutory due diligence, disclosure, record keeping and standard-of-care obligations relating to these licenses.

Additionally, the Dodd-Frank Act contains the Mortgage Reform and Anti-Predatory Lending Act ("Mortgage Act"), which imposes a number of additional requirements on lenders and servicers of residential mortgage loans, by amending certain existing provisions and adding new sections to RESPA and other federal laws. It also broadly prohibits unfair, deceptive or abusive acts or practices, and knowingly or recklessly providing substantial assistance to a covered person in violation of that prohibition. The penalties for noncompliance with these laws are also significantly increased by the Mortgage Act, which could lead to an increase in lawsuits against mortgage lenders and servicers.

Maintaining legal compliance is challenging and increases business costs due to resources required to continually monitor business practices for compliance with applicable laws, rules and regulations, and to monitor changes in the applicable laws themselves.

Real may not become aware of all the laws, rules and regulations that govern its business, or be able to comply with all of them, given the rate of regulatory changes, ambiguities in regulations, contradictions in regulations between jurisdictions, and the difficulties in achieving both company-wide and region-specific knowledge and compliance.

If Real fails, or is alleged to have failed, to comply with any existing or future applicable laws, rules and regulations, Real could be subject to lawsuits and administrative complaints and proceedings, as well as criminal proceedings. Non- compliance could result in significant defense costs, settlement costs, damages and penalties.

Real's business licenses could be suspended or revoked, business practices enjoined, or it could be required to modify its business practices, which could materially impair, or even prevent, Real's ability to conduct all or any portion of its business. Any such events could also damage Real's reputation and impair Real's ability to attract and service home buyers, home sellers and agents, as well its ability to attract brokerages, brokers, teams of agents and agents to Real, without increasing its costs.

Further, if Real loses its ability to obtain and maintain all of the regulatory approvals and licenses necessary to conduct business as we currently operate, Real's ability to conduct its business may be harmed. Lastly, any lobbying or related activities Real undertakes in response to mitigate liability of current or new regulations could substantially increase Real's operating expenses.

Risks and uncertainties (cont'd)

Success of the platform

Our business strategy is dependent on our ability to develop platforms and features to attract new businesses and users, while retaining existing ones. Staffing changes, changes in user behavior, changes in agent growth rate or development of competing platforms may cause users to switch to alternative platforms or decrease their use of our platform. There is no guarantee that agents will use these features and we may fail to generate revenue. Additionally, any of the following events may cause decreased use of our platform:

- Emergence of competing platforms and applications with novel technologies;
- Inability to convince potential agents to join our platform;
- Technical issues or delays in releasing, updating or integrating certain platforms or in the cross-compatibility of multiple platforms;
- Security breaches with respect to our data;
- A rise in safety or privacy concerns; and
- An increase in the level of spam or undesired content on the network.

Management team

We are highly dependent on our management team, specifically our Chief Executive Officer. If we lose key employees, our business may suffer. Furthermore, our future success will also depend in part on the continued service of our key management personnel and our ability to identify, hire, and retain additional personnel. We do not carry "key-man" life insurance on the lives of our executive officer, employees or advisors. We experience intense competition for qualified personnel and may be unable to attract and retain the personnel necessary for the development of our business. Because of this competition, our compensation costs may increase significantly.

Monetization of platform

There is no guarantee that our efforts to monetize the Real platform will be successful. Furthermore, our competitors may introduce more advanced technologies that deliver a greater value proposition to realtors in the future. All these factors individually or collectively may preclude us from effectively monetizing our business which would have a material adverse effect on our financial condition and results of operation.

Seasonality of operations

Seasons and weather traditionally impact the real estate industry in the jurisdictions where Real operates. Continuous poor weather or natural disasters negatively impact listings and sales. Spring and summer seasons historically reflect greater sales periods in comparison to fall and winter seasons. Real has historically experienced lower revenues during the fall and winter seasons, as well as during periods of unseasonable weather, which reduces Real's operating income, net income, operating margins and cash flow.

Real estate listings precede sales and a period of poor listings activity will negatively impact revenue. Past performance in similar seasons or during similar weather events can provide no assurance of future or current performance, and macroeconomic shifts in the markets Real serves can conceal the impact of poor weather or seasonality.

Agent engagement

Our business model involves attracting real estate agents to our platform. There is no guarantee that growth strategies will bring new agents to our network. Changes in relationships with our partners, contractors and businesses we retain to grow our network may result in significant increases in the cost to acquire new agents. In addition, new agents may fail to engage with our network to the same extent current agents are engaging with our network resulting in decreased use of our network.

Risks and uncertainties (cont'd)

Agent engagement (cont'd)

Decreases in the size of our agent base and/or decreased engagement on our network may impair our ability to generate revenue.

Managing growth

Successful implementation of our business strategy requires us to manage our growth. Growth could place an increasing strain on our management and financial resources. To manage growth effectively, we need to continuously: (i) evaluate definitive business strategies, goals and objectives; (ii) maintain a system of management controls; and (iii) attract and retain qualified personnel, as well as, develop, train and manage management-level and other employees. If we fail to manage our growth effectively, our business, financial condition or operating results could be materially harmed.

Competition

We compete with both start-up and established technology companies and brokerages. Our competitors may have substantially greater financial, marketing and other resources than we do and may have been in business longer than we have or have greater name recognition and be better established in the technological or real estate markets than we are. If we are unable to compete successfully with other businesses in our existing market, we may not achieve our projected revenue and/or user targets which may have a material adverse effect on our financial condition.

Volatility

The market price of our common shares could fluctuate significantly in response to various factors and events, including, but not limited to: our ability to execute our business plan; operating results below expectations; announcements regarding regulatory developments with respect to the real estate industry; our issuance of additional securities, including debt or equity or a combination thereof, necessary to fund our operating expenses; announcements of technological innovations or new products by us or our competitors; and period-to-period fluctuations in our financial results. In addition, the securities markets have from time to time experienced significant price and volume fluctuations that are unrelated to the operating performance of particular companies. These market fluctuations may also materially and adversely affect the market price of our common shares.

Loss of investment

An investment in our securities is speculative and involves a high degree of risk. Potential investors should be aware that the value of an investment in the Company may go down as well as up. In addition, there can be no certainty that the market value of an investment in the Company will fully reflect its underlying value. Investors could lose their entire investment. Because we can issue additional common shares, purchasers of our common shares may incur immediate dilution and experience further dilution.

As of the date of this MD&A, we are authorized to issue an unlimited number of common shares, of which 143,290 common shares are issued and outstanding. Our Board of Directors has the authority to cause us to issue additional common shares without consent of any of stockholders. Consequently, our stockholders may experience further dilution in their ownership of our stock in the future, which could have an adverse effect on the trading market for our common shares.

Furthermore, our Articles give our Board the right to create one or more new classes or series of shares. As a result, our Board may, without stockholder approval, issue shares of a new class or series with voting, dividend, conversion, liquidation or other rights that could adversely affect the voting power and equity interests of the holders of our common shares, as well as the price of our common shares.

Risks and uncertainties (cont'd)

Loss of investment (cont'd)

An investment in our securities is speculative and involves a high degree of risk. Potential investors should be aware that the value of an investment in the Company may go down as well as up. In addition, there can be no certainty that the market value of an investment in the Company will fully reflect its underlying value. Investors could lose their entire investment.

Cyber security threats

A cyber incident is an intentional or unintentional event that could threatens the integrity, confidentiality or availability of the Company's information resources. These events include, but are not limited to, unauthorized access to information systems, a disruption to our information systems, or loss of confidential information. Real's primary risks that could result directly from the occurrence of a cyber incident include operational interruption, damage to our public image and reputation, and/or potentially impact the relationships with our customers.

We have implemented processes, procedures and controls to mitigate these risks, including, but not limited to, firewalls and antivirus programs and training and awareness programs on the risks of cyber incidents. These procedures and controls do not guarantee that the financial results may not be negatively impacted by such an incident.

Subsequent events

Coronavirus ("COVID-19")

Since December 31, 2019, the outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused a material interruption to businesses, resulting in a global economic slowdown.

The global equity markets have experienced significant volatility and weakness, with the government and central bank reacting with significant monetary and fiscal interventions designed to stabilize the economic conditions. The duration and impact of COVID-19 is unknown, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of those developments and the impact on the financial results and condition of the Company and its operating subsidiaries in future periods.

Outstanding Share Data

As of November 20, 2020, 143,290,651 Common Shares were issued and outstanding.

In addition, as of November 20, 2020, there were 13,837,468 stock options ("Options") outstanding under the Stock Option Plan with exercises prices ranging from $0.10 to $0.95 per share and expiry dates ranging from January 2026 to August 2030. Each Option is exercisable for one Common Share. A total of 52,146 restricted share units ("RSUs") were outstanding under the RSU Plan. Once vested, a total of 52,146 Common Shares will be issuable pursuant to the outstanding RSUs.

Additional information

These documents, as well as additional information regarding Real, have been filed electronically on Real's website at www.joinreal.com.

FORM 52-109FV2

CERTIFICATION OF INTERIM FILINGS
VENTURE ISSUER BASIC CERTIFICATE

I, Michelle Ressler, Chief Financial Officer of The Real Brokerage Inc., certify the following:

1. ***Review:*** I have reviewed the interim financial report and interim MD&A (together, the "interim filings") of The Real Brokerage Inc. (the "issuer") for the interim period ended September 30, 2020.

2. ***No misrepresentations:*** Based on my knowledge, having exercised reasonable diligence, the interim filings 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, with respect to the period covered by the interim filings.

3. ***Fair presentation:*** Based on my knowledge, having exercised reasonable diligence, the interim financial report together with the other financial information included in the interim filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the interim filings.

Date: November 20, 2020

"Michelle Ressler"
Michelle Ressler
Chief Financial Officer

NOTE TO READER

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* (NI 52-109), this Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of

i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

FORM 52-109FV2

CERTIFICATION OF INTERIM FILINGS
VENTURE ISSUER BASIC CERTIFICATE

I, Tamir Poleg, Chief Executive Officer of The Real Brokerage Inc., certify the following:

1. ***Review:*** I have reviewed the interim financial report and interim MD&A (together, the "interim filings") of The Real Brokerage Inc. (the "issuer") for the interim period ended September 30, 2020.

2. ***No misrepresentations:*** Based on my knowledge, having exercised reasonable diligence, the interim filings 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, with respect to the period covered by the interim filings.

3. ***Fair presentation:*** Based on my knowledge, having exercised reasonable diligence, the interim financial report together with the other financial information included in the interim filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the interim filings.

Date: November 20, 2020

"Tamir Poleg"
Tamir Poleg
Chief Executive Officer

NOTE TO READER

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* (NI 52-109), this Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of

i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

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The Real Brokerage Reports Q3 2020 Results
- Revenue for Q3 2020 of $3.9 million and for the nine months 2020 of $9.5 million

NEWS PROVIDED BY
The Real Brokerage Inc.
Nov 20, 2020, 07:30 ET

TORONTO and NEW YORK, Nov. 20, 2020 /PRNewswire/ -- The Real Brokerage Inc. (TSXV: REAX)
(OTCQX: REAXF) ("Real"), a national, technology-powered real estate brokerage in the United States of America ("U.S."), announced it has led its financial results for the three and nine months ended September 30, 2020.

Additional information concerning Real's consolidated financial statements and related management's discussion and analysis ("MD&A") for the three and nine months ended September 30, 2020, can be found at www.sedar.com. Unless otherwise stated, all dollar amounts are in thousands of U.S. dollars.

Q3 2020 highlights include:

- Q3 2020 revenue of $3,939 represented a 12% increase compared to Q3 2019 and a 52% increase over Q2 2020 as the housing market recovered in major urban areas where Real is concentrated.
- Gross pro t $741 was up 73% compared to Q2 2019 $425.
- On August 12, 2020, Real announced that it closed a non-brokered private placement offering of 1,900,000 common shares of Real at a price of $0.35 per common share for aggregate gross proceeds of $443.
- On August 25, Real announced that Michelle Ressler joined the company's executive team as Vice President of Finance and real estate leaders Sheila Dunagan and Ron Dunagan joined as Vice President of Brokerage Operations and Director of Operations, respectively, with the goal of scaling Real's finance and operations functions. Michelle Ressler was subsequently appointed as chief financial officer (CFO) on October 15.
- On September 21, 2020, Real announced that the TSX Venture Exchange provided final acceptance of the amendments to Real's stock option plan (the "Stock Option Plan") and new restricted share unit plan (the "RSU Plan"). In light of these approvals, Real launched a new agent compensation plan to incentivize real estate agents who contribute to Real's continued growth and success.
- On Oct 6, Real announced expansion to the state of Alaska with the addition of a top Anchorage real estate team and agents.

CEO Comments

"My thoughts and prayers go out to all those who are struggling during this pandemic. While the overall economy is still suffering, it is becoming very clear that the housing market is leading the economic recovery and the amazing recovery in home sales during Q3 is a testament of the resilience of our industry. Over the past few months, we have enjoyed unprecedented attention from high producing teams and agents, all across the country, interested in exploring the possibility of joining Real. We are happy to see a growing number of agents acknowledging the benefits of our offering and technology and are thrilled to continue the growth propelled by our going public transaction as well as our agents equity program. We are extremely bullish in our plans for Q4 and 2021 and are con dent about our ability to provide our agents an exceptional experience as well as growing at increasing pace," said Tamir Poleg, co-founder and CEO of Real.

About Real

Real (www.joinreal.com) is a technology-powered real estate brokerage in 21 U.S. states and the District of Columbia. Real is on a mission to make agents' lives better, creating financial opportunities for agents through higher commission splits, best-in-class technology, revenue sharing and equity incentives.

Contact Information:

For more details, please contact:
The Real Brokerage Inc.
Lynda Radosevich
lynda@joinreal.com
917-922-7020

Forward-looking Information

This press release contains forward-looking information within the meaning of applicable Canadian securities laws. Forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "expect", "likely" and "intend" and statements that an event or result "may", "will", "should", "could" or "might" occur or be achieved and other similar expressions. These statements reflect management's current beliefs and are based on information currently available to management as at the date hereof. Forward- looking information in this press release includes, without limiting the foregoing, information relating to the pace of Real's growth, continued ability to attract and retain agents and expectations regarding the overall U.S. home buying market.

Forward-looking information is based on assumptions that may prove to be incorrect, including but not limited to Real's business objectives, expected growth, results of operations, performance, business projects and opportunities and financial results. Real considers these assumptions to be reasonable in the circumstances. However, forward-looking information is subject to known and unknown risks, uncertainties and other factors that could cause actual results, performance or achievements to differ materially from those expressed or implied in the forward-looking information. These factors should be carefully considered and readers should not place undue reliance on the forward-looking statements. Although the forward-looking statements contained in this press release are based upon what management believes to be reasonable assumptions, Real cannot assure readers that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this press release, and Real assumes no obligation to update or revise them to reflect new events or circumstances, except as required by law.

SOURCE The Real Brokerage Inc.

The Real Brokerage Announces Closing of US $20 Million Strategic Investment by Insight Partners

NEWS PROVIDED BY
The Real Brokerage Inc. →
Dec 03, 2020, 07:30 ET

TORONTO and NEW YORK, Dec. 3, 2020 /PRNewswire/ -- The Real Brokerage Inc. (TSXV: REAX)
(OTCQX: REAXF) ("Real") is pleased to announce today the closing of a US $20 million (approximately CDN $26.28 million) equity investment (the "Insight Investment") by Insight Partners ("Insight Funds" or the "Investors") through the purchase of preferred equity units (the "Preferred Units") issued by a newly-formed U.S. subsidiary of Real, REAL PIPE LLC ("REAL PIPE"), which Preferred Units may be exchanged for common shares of the Company (the " Common Shares").

Tamir Poleg, co-founder and CEO of Real

On closing, REAL PIPE issued to the Investors a total of 17,286,842 of the Preferred Units at a price of CDN $1.52 per Preferred Unit (along with the Warrants issued by Real described below) for aggregate gross proceeds of US $20 million. The Preferred Units may be exchanged, at any time at the Investors' option, and at the option of Real on the earlier of: (i) the listing the Common Shares on a nationally recognized stock exchange in the United States (e.g. NASDAQ or NYSE); (ii) Real' s market capitalization equaling or exceeding US $500 million for a 30-consecutive trading day period; or (iii) immediately prior to a transaction which Real is acquired by a third party on an arms' length basis (each, a "Forced Exchange Event"), into common shares of Real ("Exchange Shares") on a one-for-one basis (as may be adjusted from time to time in accordance with the terms of the limited liability company agreement of REAL PIPE). On an as-exchanged basis, the Insight Funds' holdings of Exchange Shares and Warrant Shares (as defined below) will represent approximately 19.39% of the outstanding Common Shares on a non-diluted basis and 17.94% of the outstanding Common Shares on a fully diluted basis (including in the denominator Common Shares issuable on the exercise of Real stock options and restricted share units currently issued under Real's stock option plan and restricted share unit plans (respectively), the Warrant Shares and the Exchange Shares). The exchange price of the Preferred Units will be subject to adjustment from time to time in accordance with the terms of the limited liability company agreement of REAL PIPE. The Exchange Shares are free of resale restrictions in Canada but are subject to a four-month hold period imposed by the TSX Venture Exchange (TSXV) in accordance with the policies of the TSXV (the "Exchange Hold Period").

On closing, in addition to the Preferred Units, Real issued to the Investors a total of 17,286,842 Common Share purchase warrants (each a "Warrant"). Each Warrant will be exercisable by the Investors into one Common Share (each a "Warrant Share") at a price of CDN $1.90. The Warrants will expire on the date that is five (5) years from the closing, subject to acceleration of the expiry date to the date of a Forced Exchange Event. The Warrants and the Warrant Shares are free of resale restrictions in Canada and are not subject to an Exchange Hold Period.

In connection with the closing of the transaction, Real has increased the size of its board of directors from four (4) directors to five (5) directors and appointed AJ Malhotra, a Vice President of Insight Partners, to the board of directors of Real.

Real and REAL PIPE have also entered into an investor rights agreement with the Investors providing for, among other things, participation rights, certain standstill and transfer restrictions and certain director nomination rights. Real has entered into a registration rights agreement with the Investors providing for, among other things, customary registration rights. Real guaranteed, absolutely and unconditionally, REAL PIPE's obligations with respect to the Preferred Units (but postponed and subordinated in right of payment to the prior payment of senior indebtedness) pursuant to the terms of a subordinated guarantee agreement entered into with the Investors on closing.

Additional information regarding the Insight Investment and the terms of the Preferred Units and Insight Investment will be included in a material change report to be filed by Real on www.sedar.com, which you are encouraged to read in its entirety. This press release is only a summary of certain principal terms of the Insight Investment and is qualified in its entirety by reference to the more detailed information contained in the material change report.

With the additional funding, Real plans to accelerate development of its tech-powered brokerage services for real estate agents and their clients, including building additional services into its turnkey mobile app and opening more geographies.

"We are proud and excited to welcome Insight Partners to Real. Insight has an excellent track record of identifying future market leaders and helping some of the world's greatest tech companies in their journeys of transforming industries," said Tamir Poleg, co-founder and CEO of Real. "Insight's Onsite ScaleUp engine will help us provide unparalleled experience to real estate agents and their clients and expand into new markets. Today is an important milestone for the future of real estate agents across the country."

"Real leverages best-in-class technology to help real estate agents earn more and build financial security," said AJ Malhotra, Vice President at Insight Partners. "Our experience and track record in scaling software companies combined with the Real's tech-driven platform will form a valuable partnership in helping the company continue to expand its agent network, grow its geographic footprint in the U.S., and add additional services to its offering."

Transaction Advisors

Gowling WLG (Canada) LLP acted as Real's legal advisor, with U.S. legal support provided by DLA Piper LLP (US). Willkie Farr & Gallagher LLP and Stikeman Elliott LLP acted as legal advisors to Insight Partners.

Early Warning Disclosure

Real's head office is located at 133 Richmond Street West, Suite 302, Toronto, Ontario, M5H 2L3.

The following private equity fund affiliates of Insight Venture Management, LLC acquired the Preferred Units and the Warrants (and reference to Insight Funds in this section "Early Warning Disclosure" means the following funds): Insight Partners XI, L.P.; Insight Partners (Cayman) XI, L.P.; Insight Partners XI (Co-Investors), L.P.; Insight Partners XI (Co-Investors) (B), L.P.; Insight Partners (Delaware) XI, L.P.; and Insight Partners (EU) XI, S.C.Sp. The address of Insight Funds is c/o Insight Partners, 1114 Avenue of the Americas, Floor 36, New York, NY, 10036.

Insight Funds acquired the Preferred Units and the Warrants for the consideration described in this press release pursuant to a securities subscription agreement entered into on December 2, 2020 among the Insight Funds, Real and REAL PIPE. Immediately prior to the Insight Investment, the Insight Funds and their affiliates had no ownership or control over securities in the capital of Real. Insight Funds will hold the Preferred Shares, the Warrants, and any Common Shares issuable upon the exchange or the exercise of the Preferred Shares or the Warrants, respectively, for investment purposes.

This press release is issued under the early warning provisions of the Canadian securities legislation. An early warning report with additional information in respect of the foregoing matters will be filed and made available www.sedar.com under Real's profile. To obtain copies of the early warning report, please contact Insight Partners at the details below.

Contact:
Andrew Prodromos, Insight Partners, (212)-931-5239

About Insight

Insight Partners is a leading global venture capital and private equity firm investing in high-growth technology and software ScaleUp companies that are driving transformative change in their industries. Founded in 1995, Insight Partners has invested in more than 400 companies worldwide and has raised through a series of funds more than $30 billion in capital commitments. Insight's mission is to find, fund, and work successfully with visionary executives, providing them with practical, hands-on software expertise to foster long-term success. Across its people and its portfolio, Insight encourages a culture around a belief that ScaleUp companies and growth create opportunity for all. For more information on Insight and all its investments, visit insightpartners.com or follow Insight on Twitter @insightpartners.

About Real

Real (www.joinreal.com) is a technology-powered real estate brokerage in 21 U.S. states and the District of Columbia. Real is on a mission to make agents' lives better, creating financial opportunities for agents through higher commission splits, best-in-class technology, revenue sharing and equity incentives.

Contact Information:

For more details, please contact:
The Real Brokerage Inc.
Lynda Radosevich
lynda@joinreal.com
917-922-7020

No Offer or Solicitation

The offer and sale of the securities described herein was made in a transaction not involving a public offering and has not been registered under the U.S. Securities Act of 1933, as amended, any state securities laws or the securities laws of any other jurisdiction. Accordingly, the securities may not be reoffered or resold in the United States absent registration with the U.S. Securities and Exchange Commission or an applicable exemption from such registration requirements.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy the securities described herein, nor shall there be any sale of such securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such jurisdiction.

Forward-looking Information

This press release contains forward-looking information within the meaning of applicable Canadian securities laws. Forward-looking information is often, but not always, identified by the use of words such as " seek", " anticipate", " believe", " plan", " estimate", " expect", " likely" and " intend" and statements that an event or result " may", " will", " should", " could" or " might" occur or be achieved and other similar expressions. These statements reflect management's current beliefs and are based on information currently available to management as at the date hereof. Forward- looking information in this press release includes, without limiting the foregoing, information relating to a potential Forced Exchange Event.

Forward-looking information is based on assumptions that may prove to be incorrect, including but not limited to Real's business objectives, expected growth, results of operations, performance, business projects and opportunities and financial results. Real considers these assumptions to be reasonable in the circumstances. However, forward-looking information is subject to known and unknown risks, uncertainties and other factors that could cause actual results, performance or achievements to differ materially from those expressed or implied in the forward-looking information. These factors should be carefully considered and readers should not place undue reliance on the forward-looking statements. Although the forward-looking statements contained in this press release are based upon what management believes to be reasonable assumptions, Real cannot assure readers that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this press release, and Real assumes no obligation to update or revise them to reflect new events or circumstances, except as required by law.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release, and the OTCQX has neither approved nor disapproved the contents of this press release.

SOURCE The Real Brokerage Inc.

Related Links

http://www.joinreal.com

Real Expands Its Tech-powered Real Estate Brokerage to Ohio

NEWS PROVIDED BY
The Real Brokerage Inc. →
Dec 09, 2020, 07:30 ET

TORONTO and NEW YORK, Dec. 9, 2020 /PRNewswire/ -- The Real Brokerage Inc. (TSXV: REAX) (OTCQX: REAXF) ('Real'), a national, technology-powered real estate brokerage in the United States, is expanding to Ohio with an initial focus on the Cleveland and Columbus metro areas.

As part of the expansion, Real welcomes Joel Gableman, a Cleveland-area agent, who will serve as Real's regional growth leader for the state. Most recently, Joel was a top producing agent and mentor at eXp Realty. Prior to becoming a realtor, Joel completed his MBA at Case Western Reserve University and held leadership positions in commercial banking with Chase Bank and US Bank in San Francisco and Chicago, respectively, including both commercial real estate and small business banking roles.

"I was excited about the incentive program Real offers, and after meeting other agents and some of the executive team, and hearing their vision for Real's culture and growth, I couldn't pass on the opportunity," said Gableman.

"Real's incentive program is a game changer where the opportunity to earn equity adds an additional reward for individual and team success. The culture this creates is one where everyone is motivated to share their best tips, tricks and tactics to grow, and to contribute to and share in the growth of the entire company. It's a huge differentiator above and beyond Real's commission splits, revenue share and cutting edge technology," Gableman added.

Real also welcomes the Ohio Living Team, a Cleveland-area husband-and-wife team lead by Ed and Sandra Hazners. Making use of Ms. Hazner's interior design background, the team specializes in getting clients' houses picture perfect. Ms. Hazners says she was attracted to Real's cultural values including "work hard, be kind."

"I love working with new agents to teach them about real life practices and situations," she says. "Above all, I focus on honesty and kindness within the industry, a value that is one hundred percent aligned with Real's culture."

Ed Hazners also will serve as Real's managing broker in Ohio. A 29-year veteran of Ohio real estate, Mr. Hazners is a top producer, an expert in land development, and a leader in building and managing national brokerages. He currently serves as a board director for the Akron Cleveland Association of Realtors, and he has served on the board of the Cleveland Area Board of Realtors, Ohio Association of Realtors, National Association of Realtors, and Neighborhood Housing Services.

"Servanthood, honesty, and integrity are my mantra," said Mr. Hazners. "I'm excited to exercise these values as I mentor Real's agents and position Real for success in The Buckeye State."

"I'm delighted to welcome Joel and the Hazners as leaders in Real's expansion into the great state of Ohio," said Tamir Poleg, Real's co-founder and CEO. "Their experience and service in the real estate industry uniquely position them for this critical leadership role at Real."

Restricted Share Unit (RSU) Grant

Real today announced that pursuant to the Company's Restricted Share Unit Plan, on December 3, 2020, a total of 2,000 Restricted Share Units (" RSUs ") were granted to certain officers of Real and are payable in common shares. The RSUs will vest over a three-year period.

About Real

Real (www.joinreal.com) is a technology-powered real estate brokerage in 22 U.S. states and the District of Columbia. Real is on a mission to make agents' lives better, creating financial opportunities for agents through better commission splits, best-in-class technology, revenue sharing and equity incentives.

Forward-looking Information

This press release contains forward-looking information within the meaning of applicable Canadian securities laws. Forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "expect", "likely" and "intend" and statements that an event or result "may", "will", "should", "could" or "might" occur or be achieved and other similar expressions. These statements reflect management's current beliefs and are based on information currently available to management as at the date hereof. Forward-looking information in this press release includes, without limiting the foregoing, information relating to Real's expansion into certain Ohio markets, Real's future growth plans and strategy, and eligibility of agents to receive performance-based incentives as part of Real's incentive program.

Forward-looking information is based on assumptions that may prove to be incorrect, including but not limited to Real's business objectives, expected growth, results of operations, performance, business projects and opportunities and financial results. Real considers these assumptions to be reasonable in the circumstances. However, forward-looking information is subject to known and unknown risks, uncertainties and other factors that could cause actual results, performance or achievements to differ materially from those expressed or implied in the forward-looking information. These factors should be carefully considered and readers should not place undue reliance on the forward-looking statements. Although the forward-looking statements contained in this press release are based upon what management believes to be reasonable assumptions, Real cannot assure readers that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this press release, and Real assumes no obligation to update or revise them to reflect new events or circumstances, except as required by law.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release, and the OTCQX has neither approved nor disapproved the contents of this press release.

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SUBORDINATED GUARANTEE AGREEMENT

THE REAL BROKERAGE INC.

– and –

THE INVESTORS SET FORTH ON SCHEDULE A HERETO

December 2, 2020

SUBORDINATED GUARANTEE AGREEMENT

THIS SUBORDINATED GUARANTEE AGREEMENT (this "**Guarantee**") is made effective the 2nd day of December, 2020,

BETWEEN:

THE REAL BROKERAGE INC., a corporation incorporated under the laws of the Province of British Columbia (the "**Guarantor**")

– and –

Each of the investors set forth on Schedule A hereto

(collectively with any person or persons to whom such parties' rights under this Guarantee have been assigned or transferred in whole or in part in accordance with Section 6.4, the "**Investors**", and each an "**Investor**")

WHEREAS:

A. The Guarantor is the direct parent of REAL PIPE, LLC, a limited liability company existing under the laws of the State of Delaware (the "**Issuer**").

B. The Issuer has agreed to issue and sell to the Investors, and the Investors have agreed to subscribe for and purchase, an aggregate of 17,236,842 Preferred Units of the Issuer (such Preferred Units outstanding from time to time, collectively, the "**Preferred Units**") pursuant to the Securities Subscription Agreement by and among the Guarantor, the Issuer and the Investors dated as of December 2, 2020 (the "**Subscription Agreement**").

C. The Investors have agreed to subscribe for the Preferred Units on the condition that the Guarantor guarantees the obligation of the Issuer to pay to the Investors the Guaranteed Obligations in respect of such Investor's Preferred Units irrespective of whether the Issuer has sufficient net assets or available funds to do so, which guarantee will rank junior to any Senior Indebtedness of the Guarantor.

NOW THEREFORE in consideration of the premises and the mutual covenants and agreements herein contained and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereto hereby covenant and agree as follows:

ARTICLE 1
DEFINITIONS

1.1 Definitions

Except as set out as follows, capitalized terms used herein and not otherwise defined below shall have the meanings attributed to such terms in the Subscription Agreement:

"**Credit Facilities**" shall mean (i) Senior Indebtedness for borrowed money, (ii) Senior Indebtedness evidenced by bonds, debentures, notes or other similar instruments, (iii) Senior Indebtedness evidenced by letters of credit, bankers' acceptances and other similar instruments, and (iv) Senior Indebtedness under hedging obligations, whether outstanding on the date of this Guarantee or thereafter created, incurred, assumed or guaranteed;

"**Event of Default**" has the meaning assigned to that term in Section 4.2;

"**Governmental Authority**" has the meaning assigned to that term in Section 5.1(d);

"**Guaranteed Obligations**" shall mean all obligations of the Issuer to the Investors relating to the Preferred Units. For greater certainty, under no circumstance shall any obligations owed to any holder of common shares of the Guarantor, solely in its capacity as a holder of common shares, be deemed Guaranteed Obligations for purposes of this Guarantee;

"**Guarantor**" has the meaning assigned to that term in the recitals;

"**Indebtedness**" means, with respect to the Guarantor, without duplication, (i) the unpaid principal, accrued and unpaid interest, premiums, penalties (including prepayment penalties), breakage costs and other fees, expenses (if any, including third party expenses), and other payment obligations and amounts owing by the Guarantor; (ii) all obligations as evidenced by notes, debentures, bonds or other similar instruments, (iii) all obligations under conditional sale or other title retention agreements relating to property acquired by the Guarantor,(iv) all obligations, contingent or otherwise, of the Guarantor as an account party in respect of letters of credit and letters of guarantee or bankers acceptances;; (v) all obligations with respect to interest rate hedging, swaps or similar financial arrangements (valued at the termination value thereof and net of all payments owed to the Guarantor); and (vi) all guarantees of any of the foregoing;

"**Indemnified Taxes**" has the meaning assigned to that term in Section 4.7;

"**Investor**" or "**Investors**" has the meaning assigned to that term in the recitals;

"**Issuer**" has the meaning assigned to that term in the recitals;

"**LLC Agreement**" means the amended and restated limited liability company agreement of the Issuer dated as of December 2, 2020;

"**Officer's Certificate**" means a certificate signed by any officer or director (or the equivalent) of the Guarantor;

"**Preferred Units**" has the meaning assigned to that term in the recitals;

"**Senior Indebtedness**" means the principal of and the interest and premium (and any other amounts payable thereunder), if any, in respect of:

(a) all Indebtedness (including any Indebtedness to trade creditors which for greater certainty does not include trade payables) and related liabilities and obligations of the Guarantor (other than Guaranteed Obligations), whether outstanding on the date of this Guarantee or thereafter created, incurred, assumed or guaranteed; and

(b) all renewals, extensions, restructurings, refinancings and refundings of any such Indebtedness and related liabilities and obligations referred to in clause (a) above;

provided, however, that Senior Indebtedness shall not include (i) any obligation of the Guarantor to any subsidiary of the Guarantor, or of such subsidiary to the Guarantor or any other subsidiary of the Guarantor, (ii) any liability for federal, state, provincial, local or other taxes owed or owing by the Guarantor, (iii) any obligations with respect to any equity securities in the capital of the Guarantor, and (iv) any Indebtedness pursuant to which the terms of the instrument creating or evidencing such Indebtedness provide that such Indebtedness ranks *pari passu* with, or is subordinated in right of payment to, this Guarantee;

"**Subscription Agreement**" has the meaning assigned to that term in the recitals; and

"**Transaction Agreements**" has the meaning assigned to that term in the Subscription Agreement.

1.2 Rules of Construction

Except as may be otherwise specifically provided in this Guarantee and unless the context otherwise requires, in this Guarantee:

(a) the terms "Guarantee", "this Guarantee", "the Guarantee", "hereto", "hereof", "herein", "hereby", "hereunder" and similar expressions refer to this Guarantee in its entirety and not to any particular provision hereof and include any schedules or exhibits thereto;

(b) references to an "Article" or "Section" followed by a number or letter refer to the specified Article or Section to this Guarantee;

(c) the division of this Guarantee into articles and sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Guarantee;

(d) words importing the singular number only shall include the plural and vice versa and words importing the use of any gender shall include all genders;

(e) the word "including" is deemed to mean "including without limitation";

(f) the terms "party" and "the parties" refer to a party or the parties to this Guarantee;

(g) any reference to this Guarantee means this Guarantee as amended, modified, replaced or supplemented from time to time;

(h) any reference to a statute, regulation or rule shall be construed to be a reference thereto as the same may from time to time be amended, re-enacted or replaced, and any reference to a statute shall include any regulations or rules made thereunder;

(i) all dollar amounts refer to currency of the United States of America;

(j) the word "day" means calendar day unless Business Day is expressly specified;

(k) any time period within which a payment is to be made or any other action is to be taken hereunder shall be calculated excluding the day on which the period commences and including the day on which the period ends; and

(l) whenever any action is required to be taken or period of time is to expire on a day other than a Business Day, such action shall be taken or period shall expire on the following Business Day.

ARTICLE 2
GUARANTEE

2.1 Guarantee

The Guarantor absolutely, irrevocably and unconditionally, as primary obligor and not merely as surety, guarantees in favour of the Investors the due and punctual payment, performance and discharge of the Guaranteed Obligations, as applicable, as and when the same shall be due and payable, whether by lapse of time, acceleration of maturity or otherwise, regardless of any defense (except for the defense to any payment obligation by the Issuer available to it under the express terms of the LLC Agreement), deduction, right of set-off or counterclaim which the Guarantor may now or hereafter have or assert and without abatement, suspension, deferment or diminution on account of any event or condition whatsoever. In addition to the foregoing, notwithstanding anything else herein to the contrary, the Guarantor agrees to pay any and all documented and out of pocket expenses (including reasonable counsel fees and expenses) reasonably incurred by any Investor in enforcing any rights under this Guarantee upon request by such Investor, and in any event within thirty (30) days of such request.

2.2 Waiver of Notice and Defenses

The Guarantor hereby waives any and all notice of acceptance of this Guarantee and any and all notice of the creation, renewal, modification, extension or accrual of the Guaranteed Obligations and irrevocably waives and agrees not to assert any claims for defense, set-off or counterclaim based on promptness, diligence, presentment, demand, protest and notice of any kind, all defenses which may be available by virtue of any valuation, stay, moratorium law or other similar law now or hereafter in effect, any right to require the marshalling of assets of the Issuer or any other person now or hereafter in effect.

2.3 Guarantee Absolute

The Guarantor guarantees that the Guaranteed Obligations will be paid strictly in accordance with their terms and the terms of this Guarantee, regardless of any Law, regulation or order now or hereafter in effect in any jurisdiction affecting any such terms or the rights of the Investors with respect thereto. The liability of the Guarantor under this Guarantee shall be absolute and unconditional irrespective of:

(a) any sale, transfer or assignment by any Investor of any Preferred Units or any right, title, benefit or interest of such Investor therein or thereto;

(b) any amendment or change in or to, or any repeal, modification or waiver of the LLC Agreement or any other agreement evidencing, securing or otherwise executed in connection with any of the Guaranteed Obligations;

(c) any change in the name, shareholders, constitution, capacity, capital or the articles, by-laws or other constating documents of the Guarantor;

(d) any change in the name, members, constitution, capacity, membership interests or the constating documents of the Issuer;

(e) any partial payment by the Issuer, or any release or waiver, by operation of Law or otherwise, of the performance or observance by the Issuer of any express or implied agreement, covenant, term or condition relating to the Preferred Units to be performed or observed by the Issuer;

(f) the extension of time for, or any change in the place or manner of, the payment by the Issuer of all or any portion of the Guaranteed Obligations or the extension of time for, or any change in the place or manner of, the performance of any other obligation under, arising out of, or in connection with, the LLC Agreement;

(g) any failure, omission, delay or lack of diligence on the part of any Investor to enforce, assert or exercise any right, privilege, power or remedy conferred on such Investor pursuant to the terms of the LLC Agreement, or any action on the part of any Investor granting indulgence or extension of any kind;

(h) subject to Section 4.1.2, the recovery of any judgment against the Issuer, any voluntary or involuntary liquidation, dissolution, sale of any collateral, winding up, merger or amalgamation of the Issuer or the Guarantor, any sale or other disposition of all or substantially all of the assets of the Issuer, or any judicial or extrajudicial receivership, insolvency, bankruptcy, assignment for the benefit of, or proposal to, creditors, reorganization, moratorium, arrangement, composition with creditors, or readjustment of debt of, or other proceedings affecting the Issuer, the Guarantor or any of the assets of the Issuer or the Guarantor;

(i) any circumstance, act or omission that would prevent subrogation operating in favour of the Guarantor;

(j) any illegality, invalidity of, or defect or deficiency or unenforceability in, the LLC Agreement;

(k) the settlement or compromise of any obligation guaranteed hereby or hereby incurred;

(l) any defense by the Issuer to immunity from suit or any suretyship defense that might be available to the Guarantor; or

(m) any other circumstance, act or omission that might otherwise constitute a defence available to, or a discharge of, the Issuer in respect of any of the Guaranteed Obligations, or the Guarantor in respect of any of the Guaranteed Obligations (other than, and to the extent of, the payment or satisfaction thereof),

it being the intent of the Guarantor that its obligations in respect of the Guaranteed Obligations shall be absolute and unconditional under all circumstances and shall not be discharged except by payment in full of the Guaranteed Obligations. None of the Investors shall be bound or obliged to seek to enforce or exhaust its recourse against the Issuer or any other persons or to take any other action against the Issuer or any other persons before being entitled to demand payment from the Guarantor hereunder.

There shall be no obligation of an Investor to give notice to, or obtain the consent of, the Guarantor with respect to the happening of any of the foregoing.

2.4 Continuing Guarantee

This Guarantee shall apply to and secure any balance due or remaining due to the Investors in respect of the Guaranteed Obligations and shall be binding as an absolute and continuing obligation of the Guarantor. This Guarantee shall continue to be effective or be reinstated, as the case may be, if at any time payment of any of the Guaranteed Obligations must or may be rescinded, is declared or may become voidable, annulled, invalidated, declared to be fraudulent or preferential or must or may otherwise be returned, refunded or repaid by an Investor for any reason, including the insolvency, bankruptcy, dissolution or reorganization of the Issuer or upon or as a result of the appointment of a custodian, receiver, trustee or other officer with similar powers with respect to the Issuer or any substantial part of its property, all as though such payment had not been made. If at any time the Issuer is precluded from making payment when due in respect of any Guaranteed Obligations, such amounts shall nonetheless be deemed to be due and payable by the Issuer to the Investors for all purposes of this Guarantee and, subject to Article 3, the Guaranteed Obligations shall be immediately due and payable to the Investors. This is a guarantee of payment, and not merely a deficiency or collection guarantee.

2.5 Guarantee of Payment

Subject to Article 3, if the Issuer fails to pay any of the Guaranteed Obligations when due, the Guarantor shall pay to such Investor the Guaranteed Obligations immediately, and in any event within fifteen (15) days after demand made in writing by such Investor.

2.6 Subrogation; Set-Off

The Guarantor shall have no right of subrogation in respect of any payment made to Investors hereunder until such time as the Guaranteed Obligations have been fully satisfied. In the case of the liquidation, dissolution, winding-up or bankruptcy of the Issuer (whether voluntary or involuntary), or if the Issuer makes an arrangement or compromise or proposal with its creditors, the Investors shall have the right to receive payment for their full claim and to receive all distributions or other payments in respect thereof until their claims have been paid in full, and the Guarantor shall continue to be liable to the Investors for all and any balance which may be owed to the Investors by the Issuer. The Guaranteed Obligations shall not, however, be released, discharged, limited or affected by the failure or omission of any Investor to prove the whole or part of any claim against the Issuer. If any amount is paid to the Guarantor on account of any subrogation arising hereunder at any time when the Guaranteed Obligations have not been fully satisfied, such amount shall be held in trust by the Guarantor for the benefit of the applicable Investor and shall forthwith be paid to such Investor to be credited and applied against the Guaranteed Obligations. After a demand has been made by an Investor for payment of the Guaranteed Obligations, until the Guaranteed Obligations have been paid in full, the Guarantor shall have no right of set-off or counterclaim against the Issuer.

2.7 Independent Obligations

The Guarantor acknowledges that its obligations hereunder are independent of the obligations of the Issuer with respect to the Preferred Units and that the Guarantor shall be liable to make payment (or cause payment to be made) of the Guaranteed Obligations pursuant to the terms of this Guarantee notwithstanding the occurrence of any event referred to in subsections (a) through (m), inclusive, of Section 2.3. The Guarantor will pay (or cause to be paid) the Guaranteed Obligations without regard to any equities between it and the Issuer or any defence, deduction or right of set-off, compensation, abatement, combination of accounts or cross-claim that it or the Issuer may have. The Guarantor herby further covenants and agrees that it shall not assert as a defense in any proceeding to enforce this Guarantee that this Guarantee is illegal, invalid or unenforceable in accordance with its terms.

2.8 Indemnity

If any or all of the Guaranteed Obligations are not duly performed by the Issuer and are not performed by the Guarantor for any reason whatsoever, the Guarantor will, as a separate and distinct obligation, indemnify and save harmless the Investors from and against all losses resulting from the failure of the Issuer to duly perform such Guaranteed Obligations without duplication.

ARTICLE 3
PRIORITY OF GUARANTEED OBLIGATIONS

3.1 Applicability of Article

The obligations of the Guarantor hereunder shall be postponed and subordinated in right of payment to the prior payment in full of all Senior Indebtedness in accordance with the terms of such Senior Indebtedness whether now outstanding or hereinafter incurred. Each of the Investors, as a condition to and by acceptance of the benefits conferred hereby, agrees to and shall be bound by the provisions of this Article 3.

3.2 Order of Payment

Upon any distribution of the assets of the Guarantor upon any dissolution, winding-up, liquidation or reorganization of the Guarantor, whether in bankruptcy, insolvency, reorganization or receivership proceedings or upon an assignment for the benefit of creditors or any other marshalling of the assets and liabilities of the Guarantor or otherwise:

(a) all Senior Indebtedness shall be first paid in full, or provision made for such payment, before any payment is made on account of the Guaranteed Obligations;

(b) the Guaranteed Obligations shall be paid in full, or provision made for such payment, before any payment is made by the Guarantor on (i) common shares or any other equity securities, rights or interests in the capital of the Guarantor, and (ii) any guarantees now existing or hereafter entered into by the Guarantor with respect to any equity securities, notes, bonds, debentures, agreements in respect of borrowed money and/or any other debt securities or instruments other than, in each case, Senior Indebtedness, of any Subsidiaries or Affiliates of the Guarantor; provided that, upon the demand by any Investor hereunder for the Guarantor to pay the Guaranteed Obligations due to such Investor, the Guarantor shall concurrently pay all Investors the Guaranteed Obligations owed to each such Investor; provided, further, that in the event the assets of the Guarantor available to pay the Guaranteed Obligations to all Investors at such time shall be insufficient to pay in full all amounts with respect to the Guaranteed Obligations to which all Investors are entitled pursuant to this Guarantee, the amounts paid to the Investors in respect of the Guaranteed Obligations shall be made, equally and ratably, in proportion to the amount of the Guaranteed Obligations owed to all other Investors, and any unpaid amounts shall be subject to Section 2.5;

(c) any payment or distribution of assets of the Guarantor of any kind or character, whether in cash, property or securities, to which the Investors would be entitled except for the provisions of this Article 3 shall be paid or delivered by the trustee or agent or other person making such payment or distribution, whether a trustee in bankruptcy, a receiver or liquidating trustee or otherwise, directly to the holders of the Senior Indebtedness or their representative or representatives or to the trustee or trustees under any indenture pursuant to which any instruments evidencing any of such Senior Indebtedness may have been issued, as their respective interests may appear, to the extent necessary to make payment in full of all such Senior Indebtedness remaining unpaid, after giving effect to any concurrent payment or distribution to the holders of such Senior Indebtedness in respect thereof; and

(d) in the event that, notwithstanding the foregoing, any payment or distribution of assets of the Guarantor of any kind or character, whether in cash, property or securities, shall be received by one or more Investors before all Senior Indebtedness is paid in full contrary to the terms hereof, such payment or distribution shall be paid over to the holders of such Senior Indebtedness in accordance with the terms hereof, or their representative or representatives or to the trustee or trustees under any indenture under which any instruments evidencing any of such Senior Indebtedness may have been issued, as their respective interests may appear, for application to the payment of all Senior Indebtedness remaining unpaid until all such Senior Indebtedness shall have been paid in full, after giving effect to any concurrent payment or distribution to the holders of such Senior Indebtedness in respect thereof.

3.3 Obligation to Pay Not Impaired

Nothing contained in this Article 3 or elsewhere in this Guarantee or in the LLC Agreement is intended to or shall impair, as between the Guarantor, its creditors (other than the holders of Senior Indebtedness), and the Investors, the obligation of the Guarantor, which is absolute and unconditional, to pay (or cause to be paid) to the Investors the Guaranteed Obligations in accordance herewith, as and when the same shall become due and payable in accordance with this Guarantee, or affect the relative rights of the Investors and creditors of the Guarantor other than the holders of the Senior Indebtedness; nor shall anything herein or therein prevent an Investor from exercising all remedies otherwise permitted by applicable Law upon default under this Guarantee, subject to the rights, if any, under this Article 3 of the holders of the Senior Indebtedness in respect of cash, property or securities of the Guarantor that are received upon the exercise of any such remedy.

3.4 No Payment if Credit Facilities in Default

Upon the maturity of any Credit Facilities by lapse of time, acceleration, demand or otherwise, all principal of and interest and premium, if any, on all such matured Credit Facilities (and any other amounts payable thereunder) shall first be paid in full, or shall first have been duly provided for, before any payment by the Guarantor is made (or caused to be made) to Investors on account of the Guaranteed Obligations.

In case of a default under any Credit Facilities permitting the holder thereof to accelerate the maturity thereof, unless and until such default shall have been cured or waived or shall have ceased to exist in accordance with the provisions of such Credit Facilities, no payment shall be made (or caused to be made) by the Guarantor with respect to the Guaranteed Obligations, and no Investor shall be entitled to demand, institute proceedings for the collection of, or receive any such payment or benefit from the Guarantor (including by set-off, combination of accounts or otherwise in any manner whatsoever) on account of the Guaranteed Obligations after the happening of such a default (except as provided in Section 3.5), and unless and until such default shall have been cured or waived or shall have ceased to exist in accordance with the provisions of such Credit Facilities. For the avoidance of doubt, this Section 3.4 shall not be construed so as to prevent the Investors from receiving and retaining any payments on account of the Guaranteed Obligations at any time when no such default has occurred and is continuing.

The fact that any payment hereunder is prohibited by this Section 3.4 shall not prevent the failure to make such payment from being an Event of Default hereunder.

3.5 Confirmation of Subordination

As a condition to the benefits conferred hereby on the Investors, each of the Investors by acceptance thereof agrees to take such action as may be necessary to effectuate the subordination to Senior Indebtedness as provided in this Article 3. Upon the reasonable request of and at the sole cost and expense of the Guarantor, and upon being furnished with an Officer's Certificate stating that one or more named persons are holders of Senior Indebtedness, or the representative or representatives of such holders, or the trustee or trustees under which any instrument evidencing such Senior Indebtedness, and specifying the amount and nature of such Senior Indebtedness, each such Investor shall enter into a commercially reasonable written agreement or agreements with the Guarantor and the person or persons named in such Officer's Certificate providing that such person or persons are entitled to all the rights and benefits of this Article 3 as the holder or holders, representative or representatives, or trustee or trustees of such Senior Indebtedness specified in such Officer's Certificate and in such agreement.

3.6 Investors May Hold Senior Indebtedness

Each of the Investors is entitled to all the rights set forth in this Article 3 with respect to any Senior Indebtedness at the time held by it, to the same extent as any other holder of Senior Indebtedness, and nothing in this Guarantee deprives such holder of any of its rights as such holder.

3.7 Rights of Holders of Senior Indebtedness Not Impaired

No right of any present or future holder of any Senior Indebtedness to enforce the subordination herein will at any time or in any way be prejudiced or impaired by any act or failure to act on the part of the Guarantor or by any non-compliance by the Guarantor with the terms, provisions and covenants of this Guarantee, regardless of any knowledge thereof which any such holder may have or be otherwise charged with.

3.8 Altering Senior Indebtedness

A holder of Senior Indebtedness has the right to extend, renew, modify or amend the terms of such Senior Indebtedness or any security therefor and to release, sell or exchange such security and otherwise to deal freely with the Guarantor or any other person, all without notice to or consent of the Investors and without affecting the subordination herein, the liabilities and obligations of the parties to this Guarantee.

3.9 Additional Senior Indebtedness and Securities

This Guarantee does not restrict the Guarantor from incurring any Indebtedness or otherwise or mortgaging, pledging or charging its properties to secure any Indebtedness or from issuing any securities.

ARTICLE 4
TERMINATION AND REMEDIES

4.1 Termination of Guarantee

4.1.1 This Guarantee and all obligations hereunder will terminate and be of no further force and effect upon the date on which all Preferred Units have been exchanged for common shares in the capital of the Guarantor or any successor thereto (as applicable) in accordance with their terms in respect of the Guaranteed Obligations have been paid in full.

4.1.2 Subject to Section 6.4, all of the rights, obligations and liabilities of the Guarantor pursuant to this Guarantee shall terminate, and the Guarantor shall be discharged of all obligations and covenants under this Guarantee, upon the conveyance, distribution or transfer (including pursuant to a reorganization, consolidation, liquidation, dissolution, sale of any collateral, winding up, merger, amalgamation, arrangement or otherwise) of all or substantially all of the Guarantor's properties, securities and assets to a person that has assumed in full the obligations of the Guarantor pursuant to and in accordance with Section 6.4.

4.2 Suits for Enforcement by Investors

In the event that the Guarantor fails to pay any Guaranteed Obligations as required (an "**Event of Default**") pursuant to the terms of this Guarantee, any Investor may institute judicial proceedings for the collection of the moneys so due and unpaid, may prosecute such proceedings to judgment or final decree and may enforce the same against the Issuer and/or the Guarantor and may collect the moneys adjudged or decreed to be payable in the manner provided by Law out of the property of the Guarantor.

4.3 Investors May File Proofs of Claim

In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding relative to the Guarantor or the property of the Guarantor, each Investor shall be entitled and empowered, by intervention in such proceeding or otherwise:

(a) to file and prove a claim for any Guaranteed Obligation then due and payable and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Investors allowed in such judicial proceeding; and

(b) to collect and receive any moneys or other property payable or deliverable on any such claims and to distribute the same.

4.4 Restoration of Rights and Remedies

If any Investor has instituted any proceeding to enforce any right or remedy under this Guarantee and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to such Investor, then and in every such case, subject to any determination in such proceeding, the Guarantor and such Investor shall be restored severally and respectively to their former positions hereunder and thereafter all rights and remedies of the Investors shall continue as though no such proceeding had been instituted.

4.5 Rights and Remedies Cumulative

No right or remedy herein conferred upon or reserved to any Investor is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by Law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

4.6 Delay or Omission Not Waiver

No delay by or omission of any Investor to exercise any right or remedy accruing upon an Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given by this Article or by Law to the Investors may be exercised from time to time, and as often as may be deemed expedient, by each Investor.

4.7 Withholding

All payments to be made by the Guarantor to an Investor under this Guarantee shall be paid free and clear of, and without deduction or withholding for or on account of, any taxes; provided, that if the Guarantor is required by applicable Law to deduct or withhold any taxes from any such payment (such taxes required to be deducted or withheld, the "**Indemnified Taxes**"), then the Guarantor shall (a) make such withholding or deduction; (b) pay to the Investor such additional amounts as may be necessary so that after making or allowing for all required withholdings and deductions for taxes (including withholdings and deductions applicable to additional amounts payable under this Section 4.7), the Investor has received or receives an amount equal to that which it would have had or received had no such withholdings or deductions been required; (c) timely remit such taxes directly to the relevant Governmental Authority; and (d) furnish to the Investor, within a reasonable time, evidence of such remittance. The Guarantor shall indemnify and hold harmless an Investor within fifteen (15) Business Days after written demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section 4.7), whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate setting forth in reasonable detail the basis and calculation of the amount of such payment or liability delivered to the Guarantor by an Investor shall be conclusive absent manifest error.

ARTICLE 5
REPRESENTATIONS

5.1 Guarantor Representations

The Guarantor represents, warrants and covenants to each of the Investors, and acknowledges that each of the Investors is relying thereon, that:

(a) The Guarantor is a corporation existing under the laws of the Province of British Columbia and has the requisite power and authority to own, lease and operate its properties and to conduct its business;

(b) The Guarantor has all requisite legal and corporate power and authority to execute and deliver this Guarantee and to perform its obligations hereunder;

(c) The Guarantor has duly authorized, executed and delivered this Guarantee, and, upon acceptance by the Investors, this Guarantee will constitute a valid and binding agreement of the Guarantor, enforceable against the Guarantor in accordance with its terms, except as limited by applicable bankruptcy, insolvency, reorganization or other laws of general application affecting enforcement of creditors' rights and general principles of equity that restrict the availability of equitable remedies;

(d) No consent, approval, authorization, order or agreement of, or registration, filing or qualification with, or any other action by, any domestic or foreign federal, provincial, state, municipal or other governmental department, court, tribunal, commission or commissioner, bureau, minister or ministry, board or agency, or other regulatory authority, including any securities regulatory authority, self- regulatory authority or the TSX-V (each, a "**Governmental Authority**") or other person is required for the execution, delivery or performance of this Guarantee by the Guarantor; and

(e) Neither the entering into, delivery or performance of the Guarantee nor the completion of the transactions contemplated hereby by the Guarantor will: (i) conflict with or result in the violation or breach of any of the provisions of the articles or by-laws of the Guarantor, (ii) conflict with, or result in a breach or violation of any of the terms of, or constitute a default under, or result in the creation or imposition of any lien or right of any other person upon any assets of the Guarantor pursuant to any agreement or other instrument to which the Guarantor is a party or by which the Guarantor is bound or to which any of the assets of the Guarantor is subject, or (iii) result in the violation of any Law applicable to the Guarantor, with such exceptions, in the case of each of clauses (ii) and (iii) above, as would not impair or delay its ability to perform its obligations hereunder.

The representations and warranties of the Guarantor contained in this Guarantee shall survive until the termination of this Guarantee.

5.2 Investors' Representations

Each Investor, severally but not jointly, represents, warrants and covenants to the Guarantor, solely with respect to itself, and acknowledges that the Guarantor is relying thereon, that:

(a) it is an entity duly formed and validly existing under the laws of its jurisdiction of formation and has the requisite power and authority to own, lease and operate its properties and to conduct its business;

(b) it has all requisite legal and corporate power and authority to execute and deliver this Guarantee and to perform its obligations hereunder;

(c) it has duly authorized, executed and delivered this Guarantee, and, upon acceptance by the Guarantor, this Guarantee will constitute a valid and binding agreement of such Investor, enforceable against it in accordance with its terms, except as limited by applicable bankruptcy, insolvency, reorganization or other laws of general application affecting enforcement of creditors' rights and general principles of equity that restrict the availability of equitable remedies;

(d) no consent, approval, authorization, order or agreement of, or registration, filing or qualification with, or any other action by, any Governmental Authority or other person is required for the execution, delivery or performance of this Guarantee by it; and

(e) neither the entering into, delivery or performance of this Guarantee nor the completion of the transactions contemplated hereby by it will: (i) conflict with or result in the violation or breach of any of the provisions of its constating documents, (ii) conflict with, or result in a breach or violation of any of the terms of, or constitute a default under, or result in the creation or imposition of any lien or right of any other person upon any of its assets pursuant to any agreement or other instrument to which it is a party or by which it is bound or to which any of its assets is subject or (iii) result in the violation of any Law applicable to it, with such exceptions, in the case of each of clauses (ii) and (iii) above, as would not impair or delay its ability to perform its obligations hereunder.

The representations and warranties of each of the Investors contained in this Guarantee shall survive until the termination of this Guarantee.

ARTICLE 6
GENERAL

6.1 No Recourse Against Certain Persons

A director, officer, employee, shareholder or securityholder, as such, of the Guarantor shall not have any liability for any obligations of the Guarantor under this Guarantee or for any claim based on, in respect of or by reason of such obligations or its creation.

6.2 Notices

(a) Any demand, notice or other communication required or permitted to be given hereunder shall be in writing and shall be delivered in Person, transmitted by e- mail or similar means of recorded electronic communication (in which case it may be executed by electronic signatures and electronic pdf signatures (including by email or scanned pages)) or sent by registered mail, charges prepaid, addressed as follows:

To the Guarantor:

133 Richmond Street West, Suite 302
Toronto, ON M5H 2L3
Canada

Attention: Tamir Poleg, Chief Executive Officer
E-mail: *[redacted]*

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

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

Attention: Jason A. Saltzman
E-mail: *[redacted]*

To the Investors:

c/o Insight Partners
1114 Avenue of Americas, 36th Floor
New York, NY 10036

Attention: Andrew Prodromos, Deputy General Counsel and Chief Compliance Officer
E-mail: [*redacted]*

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

Willkie Farr & Gallagher LLP
787 Seventh Avenue
New York, NY 10019

Attention: Robert A. Rizzo
E-mail: *[redacted]*

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

Stikeman Elliott LLP
5300 Commerce Court West
199 Bay Street
Toronto, ON M5L 1B9

Attention: Jonah Mann

E-mail: [*redacted]*

In the case of any other Investor, to the address of the Investor contained on the register of maintained by the Issuer.

(b) Any such notice or other communication shall be deemed to have been given and received on the day on which it was delivered or transmitted by email or personally by hand (or, if such day is not a Business Day or if delivery or transmission is made on a Business Day after 5:00 p.m. (Toronto time) at the place of receipt, then on the next following Business Day) or, if mailed by internationally recognized courier, on the Business Day following the date of mailing.

(c) Such addresses may be changed, from time to time, by means of a notice given in the manner provided in this Section 6.2.

6.3 Entire Agreement/Amendment

This Guarantee and the other Transaction Agreements contain the entire agreement of the parties and supersede all prior agreements between the parties relating to the subject matter hereof. There are no representations, warranties, covenants or other agreements between the parties relating to the subject matter hereof except as stated or referred to herein or in the Transaction Agreements.

No amendment to, or waiver of any provision of, this Guarantee will be valid or binding unless set forth in writing and executed by each Investor. No failure of any party to exercise and no delay by it in exercising any right, power or remedy in connection with this Guarantee shall operate as a waiver of that right, nor shall any single or partial exercise of any right preclude any other or further exercise of that right or the exercise of any other right.

6.4 Assignment

No party may assign, transfer or delegate its rights, benefits or obligations under this Guarantee without the prior written consent of the other parties; except that (a) the rights and obligations of an Investor hereunder may be assigned, transferred or otherwise granted, in whole or part, without the prior written consent of the Guarantor or other Investors by such Investor to any transferee to whom such Investor validly transfers any of its Preferred Units in accordance with the LLC Agreement provided such Investor shall cause such transferee to execute and deliver to the Guarantor an assumption agreement, in form reasonably satisfactory to the Guarantor, pursuant to which such transferee agrees to be bound by the terms and conditions of this Guarantee and provides the representations and warranties in Section 5.2 with respect to itself; and (b) the rights and obligations of the Guarantor hereunder may be assigned, transferred or otherwise granted upon prior written notice (email to be sufficient) to the Investors by the Guarantor to any purchaser or transferee of all or substantially all of the Guarantor's properties, securities and assets, in each case, provided that such assignee or transferee has assumed in full the obligations of the Guarantor and the Guarantor shall cause such assignee or transferee to execute and deliver to the Investors an assumption agreement, in form reasonably satisfactory to such parties, pursuant to which such assignee or transferee, as applicable, agrees to be bound by the terms and conditions of this Guarantee and provides the representations and warranties in Section 5.1 with respect to itself. Any other purported assignment, transfer or delegation other than in accordance with this Section 6.4 shall be null and void. The terms and provisions of this Guarantee shall be binding upon and enure to the benefit of the Guarantor and Investors and their respective successors and permitted assigns and, for greater certainty, a person shall cease to have any rights as an Investor hereunder upon the date on which all Preferred Units held by such person have been assigned, transferred, redeemed and/or exchanged for common shares in the capital of the Guarantor or any successor (as applicable) in accordance with their terms and all other sums, amounts and dividends, if any, outstanding with respect to such Preferred Units, or payable in respect of the Guaranteed Obligations, have been paid in full.

6.5 Further Assurances

Each party will, from time to time at the request of the other party, execute and deliver all such further documents and perform or cause to be performed such further acts or things as may be reasonably required to give full effect to, and carry out or better evidence or perfect the intent of, this Guarantee.

6.6 Time

Time is of the essence in the performance of obligations set forth in this Guarantee.

6.7 Costs

Except as provided in this Agreement, or as otherwise agreed by the parties in writing, including as provided in the LLC Agreement, all costs and expenses incurred in connection with this Guarantee and the transactions contemplated hereby will be paid by the party incurring such costs and expenses, whether or not any of the transactions contemplated hereby are consummated.

6.8 Governing Law; Submission

This Guarantee and all matters, claims or actions (whether at law, in equity, in contract, in tort or otherwise) based upon, arising out of or relating to this Guarantee or the negotiation, execution or performance of this Guarantee, shall be interpreted and enforced in accordance with, and the respective rights and obligations of the parties shall be governed by, the laws of the State of Delaware applicable to contracts executed in and to be performed entirely within that State, regardless of the laws that might otherwise govern under any applicable conflict of laws principles.

All matters, claims or actions arising out of or relating to this Guarantee shall be heard and determined in the Chancery Court of the State of Delaware (or, if the Chancery Court of the State of Delaware declines to accept jurisdiction over any matter, claim or action, any state or federal court within the State of Delaware) and appellate courts therefrom and the parties hereto hereby irrevocably submit to the exclusive jurisdiction and venue of such courts in any such matter, claim or action and irrevocably waive the defense of an inconvenient forum or lack of jurisdiction to the maintenance of any such matter, claim or action. The consents to jurisdiction and venue set forth in this Section 6.8 shall not constitute general consents to service of process in the State of Delaware, shall have no effect for any purpose except as provided in this Section 6.8 and shall not be deemed to confer rights on any person other than the parties hereto. Each party hereto agrees that service of process upon such party in any matter, claim or action arising out of or relating to this Guarantee shall be effective if notice is given by overnight courier, with a copy by e-mail, at the address set forth in Section 6.2 of this Guarantee. The parties hereto agree that a final judgment in any such matter, claim or action shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by applicable Law; provided that, nothing in the foregoing shall restrict any party's rights to seek any post-judgment relief regarding, or any appeal from, a final trial court judgment.

EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS GUARANTEE IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE IT HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY MATTER, CLAIM OR ACTION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS GUARANTEE AND ANY OF THE AGREEMENTS DELIVERED IN CONNECTION HEREWITH OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (A) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF ANY MATTER, CLAIM OR ACTION, SEEK TO ENFORCE THE FOREGOING WAIVER, (B) IT UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF SUCH WAIVER, (C) IT MAKES SUCH WAIVER VOLUNTARILY AND (D) IT HAS BEEN INDUCED TO ENTER INTO THIS GUARANTEE BY, AMONG OTHER THINGS, THE MUTUAL WAIVER AND CERTIFICATIONS IN THIS SECTION 6.8.

6.9 Severance

If any term of this Guarantee is or becomes illegal, invalid or unenforceable in any jurisdiction, that shall not affect the legality, validity or enforceability in that jurisdiction of any other term of this Guarantee or the legality, validity or enforceability in other jurisdictions of that or any other provision of this Guarantee. The parties shall use all reasonable endeavours to replace any provision held to be illegal, invalid or unenforceable with a legal, valid and enforceable substitute provision the effect of which is as close as possible to the intended effect of the invalid provision.

6.10 Counterparts; Electronic Delivery

This Guarantee and all documents contemplated by or delivered under or in connection with this Guarantee may be executed and delivered in any number of counterparts (including by email or scanned pages), with the same effect as if all parties had signed and delivered the same document, and all counterparts shall be construed together to be an original and will constitute one and the same agreement. Electronic signatures (including DocuSign) and electronic pdf signatures (including by email or scanned pages) shall be acceptable as a means of executing such documents.

6.11 Several Obligations

The obligations of each Investor under this Guarantee shall be several, and not joint.

6.12 Non-Recourse

Notwithstanding anything to the contrary in this Guarantee, (a) this Guarantee may only be enforced against, and any action, dispute, claim, suit or other proceeding for breach of this Guarantee may only be made against, the Persons that are expressly identified herein and/or are parties hereto, (b) none of the former, current and future Affiliates, directors, officers, managers, employees, advisors, representatives, shareholders, members, managers, partners, successors and assigns of the Investors or any Affiliate thereof or any former, current and future Affiliate, director, officer, manager, employee, advisor, representative, shareholder, member, manager, partner, successor and assign of any of the foregoing (collectively, "Investor Related Parties") shall have any liability for any liabilities or obligations of the parties hereto for any action, dispute, claim, suit or other proceeding (whether in tort, contract or otherwise) for breach of this Guarantee or in respect of any representations made or alleged to be made in connection herewith, (c) the Guarantor and its Affiliates shall have no rights of recovery in respect hereof against any Investor Related Party and (d) no personal liability shall attach to any Investor Related Party through the Investors or otherwise, whether by or through attempted piercing of the corporate veil, by or through an action, dispute, claim, suit or other proceeding (whether in tort, contract or otherwise), by the enforcement of any judgment, fine or penalty or by virtue of any statute, regulation or other applicable Law, or otherwise; provided that, for the avoidance of doubt, nothing in this Section 6.12 shall restrict or limit the rights or obligations of a Person under any other Transaction Agreement to which such Person is a party.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF the parties have duly executed this Guarantee as of the date first written above.

THE REAL BROKERAGE INC.

Per: *signed "Tamir Poleg"*
Name: Tamir Poleg
Title: Chief Executive Officer

REAL PIPE, LLC

Per: *signed "Michelle Ressler"*
Name: Michelle Ressler
Title: Manager

INSIGHT PARTNERS XI, L.P.
Insight Associates XI, L.P., its general partner
Insight Associates XI, Ltd., its general partner

Per: signed "Andrew Prodromos"
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS (CAYMAN) XI, L.P.

Insight Associates XI, L.P., its general partner
Insight Associates XI, Ltd., its general partner

Per: signed "Andrew Prodromos"
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS XI (CO-INVESTORS), L.P.
Insight Associates XI, L.P., its general partner
Insight Associates XI, Ltd., its general partner

Per: signed "Andrew Prodromos"
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS XI (CO-INVESTORS) (B), L.P.

Insight Associates XI, L.P., its general partner
Insight Associates XI, Ltd., its general partner

Per: signed "Andrew Prodromos"
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS (DELAWARE) XI, L.P.
Insight Associates XI, L.P., its general partner
Insight Associates XI, Ltd., its general partner

Per: signed "Andrew Prodromos"
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS (EU) XI, S.C.Sp.
Insight Associates (EU) XI, S.a.r.l., its general partner

Per: signed "Andrew Prodromos"
Name: Andrew Prodromos
Title: Authorized Officer

Schedule "A"

INVESTORS

INSIGHT PARTNERS XI, L.P.

INSIGHT PARTNERS (CAYMAN) XI, L.P.

INSIGHT PARTNERS XI (CO-INVESTORS), L.P.

INSIGHT PARTNERS XI (CO-INVESTORS) (B), L.P.

INSIGHT PARTNERS (DELAWARE) XI, L.P.

INSIGHT PARTNERS (EU) XI, S.C.Sp

Execution Version

SECURITIES SUBSCRIPTION AGREEMENT

THIS AGREEMENT made the 2nd day of December, 2020, by and among THE REAL BROKERAGE INC., a corporation existing under the laws of the Province of British Columbia (the "**Parent**"), REAL PIPE, LLC, a limited liability company existing under the laws of the State of Delaware (the "**Issuer**") and each of the investors whose names appear on the signature pages attached hereto (each, and "**Investor**" and collectively, the "**Investors**").

WHEREAS the Issuer and the Parent have agreed to issue to each of the Investors, and the Investors have agreed to purchase from the Issuer and the Parent, the applicable portion of the Purchased Securities in accordance with the provisions hereof;

NOW THEREFORE THIS AGREEMENT WITNESSES THAT in consideration of the respective covenants and agreements of the parties hereinafter contained and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by each party), the parties agree as follows:

ARTICLE 1
INTERPRETATION

1.1 Defined Terms

For the purposes of this Agreement, unless the context otherwise requires, the following terms shall have the respective meanings set out below and grammatical variations of such terms shall have corresponding meanings:

"**Action**" has the meaning given to such term in Section 3.1(w);

"**Affiliate**" means a Person that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the Person specified; provided, however, that the Parent, the Issuer and their respective Subsidiaries shall not be deemed to be Affiliates of the Investors or its Affiliates. For the purposes of this definition, "control", when used with respect to any Person, means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by Contract, or otherwise;

"**AML Laws**" has the meaning given such term in Section 3.1(j)

"**Audited Financial Statements**" means, as the context requires, the audited consolidated financial statements of each of ADL Ventures Inc. and Real Technology Broker Ltd. as at and for the year ended December 31, 2019, including the notes thereto, together with the auditor's reports thereon;

"**Business Day**" means any day, other than: (a) a Saturday, Sunday or statutory holiday in the Province of Ontario, the Province of British Columbia or the State of New York; or (b) a day on which banks are generally closed in the Province of Ontario, the Province of British Columbia or the State of New York;

"**Canadian Securities Commissions**" means the securities commissions or similar securities regulatory authorities in each of the Reporting Jurisdictions;

"**Canadian Securities Laws**" means the applicable securities legislation of each of the Reporting Jurisdictions and all published regulations, policy statements, orders, rules, instruments, rulings and interpretation notes issued thereunder or in relation thereto, as the same may hereafter be amended from time to time or replaced;

"**Closing**" means the closing of the issuance of the Purchased Securities and the completion of the other transactions contemplated by the Transaction Agreements to be completed at such time;

"**Closing Date**" has the meaning given to such term in Section 5.1;

"**Closing Time**" means 8:00 a.m. (Toronto time) on the Closing Date;

"**Code**" means the U.S. Internal Revenue Code of 1986, as amended;

"**Contract**" means any agreement, indenture, debenture, bond, mortgage contract, lease, sublease, deed of trust, license, option, instrument, arrangement, understanding or other legally binding commitment, in each case, in each case whether oral or written;

"**Data Protection Laws**" means all applicable laws pertaining to data protection, data privacy, data security, cybersecurity, cross-border data transfer, and general consumer protection laws as applied in the context of data privacy, data breach notification, electronic communication, telephone and text message communications, marketing by email or other channels, and other similar laws.

"**Data Protection Requirements**" means (i) Data Protection Laws, (ii) Privacy Policies, (iii) any Contracts and/or codes of conduct relating to the collection, access, use, storage, disclosure, transmission, or cross-border transfer of Personal Data.

"**Data Systems**" means computer, electronic or telecommunications or network systems of any variety (including data bases, websites, hardware, software, storage, switching and interconnection devices and mechanisms, whether on-premises or provided as a service by a third party).

"**Encumbrance**" means any encumbrance, lien, charge, hypothec, pledge, mortgage, title retention agreement, security interest of any nature, adverse interest, adverse claim, exception, reservation, easement, right of occupation, any matter capable of registration against title, option, warrant, right of pre-emption, right of first offer or refusal, purchase right, transfer restriction servitude, privilege, other third-party interest of any kind or any Contract to create any of the foregoing, in each case, whether based on law, statute, contract or otherwise;

"**Equity Securities**" means, with respect to a Person, (a) shares of, or other equity or voting interests in, such Person outstanding or reserved for issuance, (b) securities convertible into, or exchangeable or exercisable for, or other rights to acquire from such Person or any of its Affiliates, equity or voting interests of such Person, (c) outstanding obligations, options, warrants, rights, pledges, calls, puts, phantom equity, pre-emptive rights or other rights, commitments, arrangements or agreements of any character to acquire from such Person or any of its Affiliates, or that obligate such Person or any of its Affiliates to issue, any shares of, or other equity or voting interests (or voting debt) in, or any securities convertible into or exchangeable or exercisable for shares of, or other equity or voting interests in, such Person, or (d) obligations of such Person or any of its Affiliates to grant, extend or enter into any subscription, warrant, right, debt, convertible or exchangeable security or other similar agreement or commitment relating to any shares of, or other equity or voting interests in, such Person;

"**Employee Plans**" means all the employee benefit, fringe benefit, supplemental unemployment benefit, bonus, incentive, profit sharing, termination, change of control, pension, retirement, savings, stock option, stock purchase, stock appreciation, health, welfare, medical, dental, disability, life insurance and similar plans, programmes, arrangements or practices relating to any current or former employees, officers or directors of the Parent and/or its Subsidiaries maintained, sponsored, contributed to or funded by the Parent and/or its Subsidiaries or under which the Parent and/or its Subsidiaries may have any liability contingent or otherwise;

"**Exchange Agreement**" means the exchange and support agreement to be entered into by and among the Investors, the Parent and the Issuer on the Closing Date substantially in the form of Exhibit A attached to this Agreement;

"**Exchange Common Shares**" means the Real Common Shares issuable or deliverable to the Investors upon exchange and/or exercise of the Purchased Securities in accordance with the Exchange Agreement or the terms of the Warrant Certificates, as applicable;

"**FCPA**" has the meaning given to it in 3.1(j);

"**Fraud**" has the meaning given to such term in Section 3.3;

"**Fundamental Representations**" has the meaning given to such term in Section 3.3;

"**Governmental Entity**" means any domestic or foreign federal, provincial, regional, state, municipal, local or other government, governmental department, agency, arbitrator, authority or body (whether administrative, legislative, executive or otherwise), court, tribunal, commission or commissioner, bureau, minister or ministry, board or agency, taxing or other regulatory or self- regulatory authority, including any securities regulatory authorities and stock exchange;

"**Guarantee Agreement**" means the subordinated guarantee agreement to be entered into by and among the Investors and the Parent on the Closing Date substantially in the form of Exhibit B attached to this Agreement;

"**Intellectual Property**" means all of the following, to the extent protectable by applicable law, patents, patent applications, trademarks, trademark applications, service marks, service mark applications, trade names, copyrights, moral rights, trade secrets, licenses, domain names, mask works, information, inventions, proprietary rights and processes and all other intellectual property of any kind or nature.

"**IFRS**" means the International Financial Reporting Standards as adopted by the International Accounting Standards Board, at the relevant time, applied on a consistent basis;

"**Indebtedness**" means, with respect to any Person, without duplication, (a) all amounts for borrowed money, in each case excluding any intercompany borrowings and indebtedness; (b) obligations evidenced by bonds, debentures, notes, or other similar instruments; (c) obligations for the deferred purchase price of property or services (excluding trade obligations); (d) obligations under letters of credit; (e) obligations secured by Encumbrances on such Person's assets, whether or not the obligations have been assumed; (f) all net obligations of such Person under interest rate, commodity, foreign currency and financial markets swaps, options, futures and other hedging obligations; and (g) guarantees of any of the foregoing;

"**Indemnification Agreement**" means the Indemnification Agreement between the Parent and the Investor Director Designee designated by the Investors, dated as of the date of the Closing.

"**Interim Financial Statements**" means the condensed interim consolidated financial statements of the Parent for the three and nine months ended September 30, 2020, including the notes thereto;

"**Investors**" has the meaning given to such term in the recitals hereto;

"**Investor Director Designee**" shall mean AJ Malhotra or such other individual designated by the Investors in accordance with Section 2.1 of the Investor Rights Agreement (as though the Investor Rights Agreement were in effect on the date hereof) to be elected or appointed by the Parent for election to the board of directors of the Parent;

"**Investor Indemnitees**" has the meaning given to such term in Section 4.1;

"**Investor Rights Agreement**" shall mean the investor rights agreement, to be entered into by and among the Investors, the Parent and the Issuer on the Closing Date substantially in the form of Exhibit C attached to this Agreement and as may be amended from time to time thereafter;

"**Issuer**" has the meaning given to such term in the recitals hereto;

"**Issuer Common Units**" means the common units of the Issuer having the rights and privileges set out in the LLC Agreement;

"**IT Systems**" has the meaning given to such term in 3.1(aa);

"**Laws**" means any and all federal, state, provincial, regional, national, foreign, local, municipal or other laws, statutes, acts, treaties, constitutions, principles of common law, resolutions, ordinances, proclamations, directives, codes, edicts, Orders, rules, regulations, rulings or requirements or other legally binding directives or guidance issued, enacted, adopted, promulgated, implemented or otherwise put into effect by or under the authority of any Governmental Entity and includes Securities Laws;

"**LLC Agreement**" means the limited liability company agreement to be entered into by and among the Issuer, the Parent and the Investors on the Closing Date substantially in the form of Exhibit D attached to this Agreement;

"**Legislation**" has the meaning given to such term in Section 3.1(j);

"**Losses**" means, in respect of any matter, all claims, complaints, demands, proceedings, actions, causes of action, orders, judgments, awards, penalties, fines, losses, damages, liabilities, costs and expenses (including any and all documented third party legal fees) resulting from, or arising out of, directly or indirectly, a breach or misrepresentation of any indemnitor's representations, warranties or covenants made in this Agreement, subject to the limitations in this Section 4.3; provided, however, "Losses" excludes any and all punitive or exemplary damages (unless either of the foregoing damages are actually paid to a third party);

"**Material Adverse Effect**" means any change, effect, event, occurrence, or circumstance that individually or in the aggregate, is or would reasonably be expected to be material and adverse to (i) the business, condition (financial or otherwise), operations, results of operations of the Parent and its Subsidiaries on a consolidated basis; or (ii) the ability of the Parent or the Issuer to consummate the transactions contemplated by the Transaction Agreements that it is a party to, as applicable, and to perform its obligations thereunder; provided, however, that no change, effect, event, occurrence, or circumstance arising from or relating to any of the following shall constitute a Material Adverse Effect:

(a) the announcement of the execution of this Agreement or the transactions contemplated herein or in the other Transaction Agreements or the performance of the covenants and obligations herein or therein;

(b) any action or omission taken by the Parent or the Issuer at the prior written request of the Investors;

(c) any change, effect, event or circumstance generally affecting any industry in which the Parent or its Subsidiaries operate;

(d) general political, economic, financial, currency exchange or securities market conditions;

(e) any natural disaster, the continuation or escalation of the COVID-19 pandemic, any other pandemic, any act of terrorism or outbreak or escalation of hostilities or armed conflict, or any governmental response to the foregoing; or

(f) any adoption, change or prospective change in Laws, or the interpretation or administration thereof, by any Governmental Entity or any changes in IFRS;

except in the case of clause (c), (d), (e) or (f), where such change, effect, event or circumstance has a materially disproportionate effect on the Parent and its Subsidiaries on a consolidated basis relative to other participants operating in the industries in which the Parent and its Subsidiaries operate;

"**Material Agreement**" has the meaning given to such term in Section 3.1(y);

"**Management Rights Letter**" means the letter agreement by and among the Parent and the Investors, dated as of the date hereof.

*"**NI 51-102**" means National Instrument 52-109 – Certification of Disclosure in Issuers' Annual and Interim Filings;*

"**Order**" means any judgment, decision, decree, determination, injunction, ruling, writ, assessment or order of any Governmental Entity that is binding on any Person or its property under applicable Law;

"**Outside Date**" has the meaning given to such term in Section 5.2(b);

"**Parent**" has the meaning given to such term in the recitals hereto;

"**Parent Incentive Plans**" means the Parent's stock option plan and the Parent's restricted share unit plan, in each case as may be further amended or amended and restated from time to time, or any other similar equity incentive plans approved by the board of directors of the Parent;

"**Parent Indemnitees**" has the meaning given to such term in Section 4.2;

"**Parent Intellectual Property**" means all Intellectual Property that is used or held for use in or necessary for the conduct of the Parent's or any of its Subsidiaries' business, as now conducted and as presently proposed to be conducted.

"**Permit**" has the meaning given to such term in Section 3.1(k);

"**Person**" means and includes any individual, corporation, limited partnership, general partnership, limited liability partnership, joint stock company, limited liability company, joint venture, association, company, trust, bank, trust company, pension fund, business trust or other organization, whether or not a legal entity and any Governmental Entity;

"**Personal Data**" means information that identifies, relates to, describes, is reasonably capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular individual or household, and when referring to a Data Protection Requirement, has the same meaning as the similar or equivalent term defined thereunder.

"**Preferred Units**" means the Preferred Units of the Issuer having the rights and privileges set out in the LLC Agreement;

"**Privacy Policies**" means all published, posted and internal policies, procedures, agreements and notices relating to the Parent's or any of its Subsidiaries' collection, use, storage, disclosure, or cross-border transfer of Personal Data.

"**Proceeds**" has the meaning given to such term in Section 2.1;

"**Public Disclosure Documents**" means, collectively, all of the documents which have been filed by or on behalf of the Parent on SEDAR at www.sedar.com since (and inclusive of) May 26, 2020 and prior to the date the date hereof with the relevant Securities Regulators pursuant to the requirements of Securities Laws;

"**Purchased Preferred Units**" means the Preferred Units subscribed for by the Investors pursuant to Schedule I attached hereto;

"**Purchased Securities**" means, collectively, the Purchased Preferred Units and the Warrants;

"**Real Common Shares**" means the common shares in the capital of the Parent;

"**Registration Rights Agreement**" means the registration rights agreement to be entered into by and among the Investors and the Parent on the Closing Date substantially in the form of Exhibit F attached to this Agreement;

"**Related Parties**" means, with respect to any Person, such Person's former, current and future Affiliates, directors, officers, managers, employees, advisors, representatives, shareholders, members, managers, partners, successors and assigns or any Affiliate thereof or any former, current and future Affiliate, director, officer, manager, employee, advisor, representative, shareholder, member, manager, partner, successor and assign of any of the foregoing;

"**Reporting Jurisdictions**" means the provinces of British Columbia, Ontario and Alberta;

"**Restraints**" has the meaning given to such term in Section 5.6(b);

"**Sanctioned Country**" has the meaning given to such term in Section 3.1(j);

"**Sanctioned Person**" has the meaning given to such term in Section 3.1(j);

"**Sanctions**" means economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by (a) the U.S. government, including those administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State, (b) the European Union or Her Majesty's Treasury of the United Kingdom or (c) any other relevant Governmental Entity;

"**SEC**" means the United States Securities and Exchange Commission;

"**Securities Laws**" means the Canadian Securities Laws, the U.S. Securities Act and the U.S. Exchange Act;

"**Securities Regulators**" means any Canadian Securities Commission or the SEC, as applicable; "SEDAR" means the System for Electronic Document Analysis and Retrieval;

"**Subsidiary**" means, as to any Person, any corporation or other entity of which: (a) such Person or a Subsidiary of such Person is a general partner or, in the case of a limited liability company, the managing member or manager thereof; (b) at least a majority of the outstanding equity interest having by the terms thereof ordinary voting power to elect a majority of the board of directors or similar governing body of such corporation or other entity (irrespective of whether or not at the time any equity interest of any other class or classes of such corporation or other entity shall have or might have voting power by reason of the happening of any contingency) is at the time directly or indirectly owned or controlled by such Person or one or more of its Subsidiaries; or (c) any corporation or other entity as to which such Person consolidates for accounting purposes;

"**Tax**" and "**Taxes**" means (i) any and all taxes, assessments, and other governmental charges or fees, customs, imposts, levies, duties, impositions, deductions and liabilities, including taxes based upon or measured by gross receipts, income, profits, sales, use and occupation, and value-added, goods and services, ad valorem, transfer, franchise, withholding (including backup withholding), payroll, social security, recapture, employment, pension plan, stamp, escheat and unclaimed property, excise and property taxes, or other governmental fee or charge of any kind whatsoever, whether computed on a separate or consolidated, unitary or combined basis or in any other manner, together with all interest, penalties and additions imposed with respect to such amounts; (ii) any liability for the payment of any amounts of the type described in paragraph (i) as a result of being or having been a member of an affiliated, consolidated, combined or similar group for any period (including any arrangement for group or consortium relief or similar arrangement); and (iii) any liability for the payment of any amounts of the type described in paragraph (i) as a result of any express or implied obligation to indemnify any other Person or as a result of any obligations under any agreements or arrangements with any other Person or entity with respect to such amounts and including any liability for taxes of a predecessor or transferor or otherwise by operation of Law;

"**Tax Return**" means any report, return, form, declaration, designation, information return, filing, claim for refund or other information filed or required to be filed with a Governmental Entity in connection with Taxes, including any schedules or attachments thereto, and any amendments to any of the foregoing;

"**Threshold**" has the meaning given to such term in Section 4.3;

"**Transaction Agreements**" means this Agreement, the Exchange Agreement, the Guarantee Agreement, the Investor Rights Agreement, the LLC Agreement, the Registration Rights Agreement and the Warrant Certificates;

"**Transaction Litigation**" has the meaning given to such term in Section 6.6;

"**TSXV**" means the TSX Venture Exchange or any successor thereto;

"**TSXV Approval**" means, collectively, (i) the acceptance, conditional or otherwise, by the TSXV pursuant to Policy 4.1 of the TSXV Corporate Finance Manual of the issuance and sale of the Purchased Securities to the Investors and the issuance of the Exchange Common Shares that may be issued to the Investors with respect to the Purchased Securities (other than pursuant to the Participation Right (as defined in the Investor Rights Agreement)) and (ii) the approval, conditional or otherwise, of the TSXV for listing of the Exchange Common Shares by the Parent, in each case, on the terms and conditions set out herein and in the other applicable Transaction Agreements;

"**Warrants**" means those warrants of the Parent, having the rights and restrictions set forth in the Warrant Certificates, that are subscribed for by the Investors pursuant to Schedule I attached hereto;

"**Warrant Certificates**" means those warrant certificates dated the date hereof to be entered into by and between the Parent and each Investor, substantially in the form attached hereto as Exhibit E;

"**Warrant Shares**" means the Real Common Shares issuable upon exercise of the Warrants;

"**United States**" means the United States of America, its territories and possessions, any State of the United States, and the District of Columbia;

"**U.S. Exchange Act**" means the United States Securities Exchange Act of 1934, as amended; and

"**U.S. Securities Act**" means the United States Securities Act of 1933, as amended.

1.2 Rules of Construction in this Agreement:

(a) the terms "Agreement", "this Agreement", "the Agreement", "hereto", "hereof", "herein", "hereby", "hereunder" and similar expressions refer to this Agreement in its entirety and not to any particular provision hereof;

(b) references to an "Article", "Section" or "Exhibit" followed by a number or letter refer to the specified Article or Section of or Exhibit to this Agreement;

(c) the division of this Agreement into articles and sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement;

(d) words importing the singular number only shall include the plural and vice versa and words importing the use of any gender shall include all genders;

(e) the word "including" is deemed to mean "including without limitation";

(f) the terms "party" and "the parties" refer to a party or the parties to this Agreement;

(g) any reference to this Agreement means this Agreement as amended,

(h) any reference to a statute, regulation or rule shall be construed to be a reference thereto as the same may from time to time be amended, re-enacted or replaced, and any reference to a statute shall include any regulations or rules made thereunder;

(i) all dollar amounts refer to United States currency unless otherwise stated;

(j) any time period within which a payment is to be made or any other action is to be taken hereunder shall be calculated excluding the day on which the period commences and including the day on which the period ends;

(k) whenever any action is required to be taken or period of time is to expire on a day other than a Business Day, such action shall be taken or period shall expire on the next following Business Day; and

(l) the word "day" means calendar day unless Business Day is expressly specified.

1.3 Entire Agreement

The Transaction Agreements constitute the entire agreement between the parties with respect to the subject matter hereof and thereof and supersede all prior agreements, understandings, negotiations and discussions, whether written or oral. Unless otherwise agreed upon in writing by the parties, there are no conditions, covenants, agreements, representations, warranties or other provisions, express or implied, collateral, statutory or otherwise, relating to the subject matter hereof except as provided in the Transaction Agreements.

1.4 Time of Essence

Time shall be of the essence of this Agreement.

1.5 Governing Law and Submission to Jurisdiction

(a) This Agreement and all matters, claims or Actions (whether at law, in equity, in Contract, in tort or otherwise) based upon, arising out of or relating to this Agreement or the negotiation, execution or performance of this Agreement, shall be interpreted and enforced in accordance with, and the respective rights and obligations of the parties shall be governed by, the laws of the State of Delaware applicable to contracts executed in and to be performed entirely within that State, regardless of the Laws that might otherwise govern under any applicable conflict of Laws principles.

(b) All Actions arising out of or relating to this Agreement shall be heard and determined in the Chancery Court of the State of Delaware (or, if the Chancery Court of the State of Delaware declines to accept jurisdiction over any Action, any state or federal court within the State of Delaware) and appellate courts therefrom and the parties hereto hereby irrevocably submit to the exclusive jurisdiction and venue of such courts in any such Action and irrevocably waive the defense of an inconvenient forum or lack of jurisdiction to the maintenance of any such Action. The consents to jurisdiction and venue set forth in this Section 1.5(b) shall not constitute general consents to service of process in the State of Delaware, shall have no effect for any purpose except as provided in this Section 1.5(b) and shall not be deemed to confer rights on any Person other than the parties hereto. Each party hereto agrees that service of process upon such party in any Action arising out of or relating to this Agreement shall be effective if notice is given by overnight courier, with a copy by e-mail, at the addresses set forth in Section 8.2 of this Agreement. The parties hereto agree that a final judgment in any such Action shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by applicable Law; provided that, nothing in the foregoing shall restrict any party's rights to seek any post-judgment relief regarding, or any appeal from, a final trial court judgment.

(c) EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE IT HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY ACTION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT AND ANY OF THE AGREEMENTS DELIVERED IN CONNECTION HEREWITH OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (A) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF ACTION, SEEK TO ENFORCE THE FOREGOING WAIVER, (B) IT UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF SUCH WAIVER, (C) IT MAKES SUCH WAIVER VOLUNTARILY AND (D) IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVER AND CERTIFICATIONS IN THIS SECTION 1.5(C).

1.6 Severability

If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, all other provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party hereto. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties hereto as closely as possible to the end that transactions contemplated hereby are fulfilled to the extent possible.

1.7 Accounting Principles

Any reference in this Agreement to accounting principles refers to IFRS, applied on a consistent basis, and which are applicable in the circumstances as of the date in question. Accounting principles are applied on a "consistent basis" when the accounting principles applied in a current period are comparable in all material respects to those accounting principles applied in a preceding period.

1.8 Knowledge

For the purposes of this Agreement, with respect to any matter, the knowledge of Parent or the Issuer shall mean the actual knowledge of Tamir Poleg, Michelle Ressler and Gal Weiss, in each case, after making reasonable inquiry concerning the matters in question.

1.9 Schedules

The following Exhibits and Schedule are attached to and form an integral part of this Agreement:

Exhibit A	-	Exchange Agreement
Exhibit B	-	Guarantee Agreement

Exhibit C	-	Investor Rights Agreement
Exhibit D	-	LLC Agreement
Exhibit E	-	Warrant Certificate
Exhibit F	-	Registration Rights Agreement
Schedule I	-	Investors

ARTICLE 2
PURCHASE OF SECURITIES

2.1 Purchase of Purchased Securities

On the terms and subject to the conditions of this Agreement, and subject to the satisfaction (or, to the extent permitted by applicable Law, waiver by the party entitled to the benefit thereof) of the conditions set forth in Section 5.6 and Section 5.7, each of the Investors hereby agree to subscribe for and purchase from the Issuer and the Parent, as applicable, and each of Issuer and the Parent, as applicable hereby agrees to issue and sell to the applicable Investors, on the Closing Date, free and clear of all Encumbrances (except restrictions imposed by the LLC Agreement, any applicable Securities Laws**,** as may be imposed by the TSXV, as may be imposed as a result of the application of the securities Laws of any jurisdiction applicable to the Investors, or as are imposed as a result of any actions taken by the Investors), (a) the applicable Purchased Preferred Units from the Issuer, according to the allocation set forth on Schedule I for the portion of the aggregate consideration of Cdn. $19,084,673.57 as indicated on Schedule I, and (b) the applicable Warrants from the Parent, in the allocation set forth on Schedule I for the portion of the aggregate consideration of Cdn. $7,191,326.27 as indicated on Schedule I, (clauses (a) and (b), collectively, the "**Proceeds**"). Evidence of the issuance of the Purchased Preferred Units and the Warrants shall be credited in the name of the applicable Investor in the books and records of the Issuer and the Parent, as applicable.

2.2 Payment of Proceeds

On the Closing Date, each of the Investors shall pay, or cause to be paid (to an account specified to the Investors by the Parent and the Issuer in writing at least three (3) Business Days prior to the Closing Date), in full satisfaction of the subscription price for the Purchased Securities, the Proceeds by wire transfer in immediately available funds.

2.3 Use of Proceeds

The Parent shall use the Proceeds for general corporate purposes; provided, however, that the Parent shall use a portion of the Proceeds from the sale to fully payoff Real Broker, LLC's borrowings under the Paycheck Protection Program (the "**PPP Loan**") in accordance with Section 6.7.

ARTICLE 3
REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties of the Parent and the Issuer

The Parent and the Issuer jointly and severally represent and warrant to the Investors as follows as of the date hereof and as of the Closing Date (except for representations and warranties that speak as of a specific date which shall be true and correct as of such specified date) and acknowledge that the Investors are relying on such representations and warranties in entering into this Agreement and completing its subscription for the Purchased Securities:

(a) **Organization**. Each of the Parent and the Issuer: (i) has been duly incorporated or formed, respectively, and is validly existing in good standing under the Laws of the jurisdiction of its incorporation or formation, with all requisite corporate or limited liability company power and authority to own, lease and operate its properties and assets and conduct its business, and; (ii) is duly qualified, licensed or registered to transact business, and is in good standing, in each jurisdiction in which the conduct of its business or its ownership, leasing or operation of property or assets requires such qualification. True and complete copies of the Parent's and the Issuer's articles, by-laws or other organizational documents of the Parent and the Issuer, each as amended to the date hereof, have been provided to the Investors prior to the date hereof or are publicly available in the Public Disclosure Documents. Neither the Parent nor the Issuer is in violation, in any material respect, of any of the provisions of their respective articles, by-laws or other organizational documents.

(b) **Authorization**. Each of the Parent and the Issuer has the requisite corporate or limited liability company power and authority to enter into each of the Transaction Agreements to which it is a party, to perform its obligations thereunder and to consummate the transactions contemplated thereunder, and each of the Transaction Agreements to which the Parent or the Issuer is a party: (i) together with the transactions contemplated thereunder, has been duly authorized by the Parent and/or the Issuer, as applicable; (ii) has been duly executed and delivered by the Parent and/or the Issuer, as applicable; and (iii) is a legal, valid and binding agreement of the Parent and/or the Issuer, as applicable, enforceable against such party in accordance with its terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar Laws affecting creditors' rights generally and subject to the qualification that equitable remedies may be granted in the discretion of a court of competent jurisdiction. No other action on the part of the Parent, the Issuer, their respective Subsidiaries or their equityholders is necessary to authorize the execution, delivery and performance by the Parent or the Issuer of the Transaction Agreements and the consummation by either of them of the transactions contemplated thereunder.

(c) Authorized and Issued Capital.

(i) The authorized share capital of the Parent consists of an unlimited number of Real Common Shares. All Real Common Shares outstanding and all Real Common Shares reserved for issuance, when issued in accordance with the respective terms thereof, are or will be duly authorized, validly issued, fully paid and non-assessable common shares in the capital of the Parent and not issued in violation of any pre-emptive rights, rights of first offer or refusal or similar rights.

(ii) On the date hereof and immediately prior to Closing, there are and will be (A)143,292,627 Real Common Shares issued and outstanding, and (B) issued and outstanding stock options, and restricted share units, granted pursuant to the Parent Incentive Plans, which may result in future issuances of up to 14,065,094 Real Common Shares. Immediately following the Closing, there will be (x) 143,292,627 Real Common Shares issued and outstanding, (y) issued and outstanding stock options, and restricted share units, granted pursuant to the Parent Incentive Plans, which may result in future issuances of up to 14,065,094 Real Common Shares, and (z) the Warrants, which may result in future issuances up to 17,286,842 Real Common Shares.

(iii) The Parent has furnished to the Investors complete and accurate copies of the Parent Incentive Plans and forms of agreements used thereunder. No officer, employee, director or consultant of the Parent or other Person has a Contract that contemplates a grant of or right to purchase or receive any equity or equity-based awards which have not been issued or granted as of the date of this Agreement. Each award pursuant to the Parent Incentive Plans was granted or issued in accordance with all applicable Laws and the terms and conditions of the Parent Incentive Plans. The Parent has furnished to the Investors a true and complete list of the name of each current or former employee, officer, director, consultant or other service provider of the Parent who holds a non-expired stock option or deferred share unit, which includes, as applicable, the date of grant, the expiration date, the number of Real Common Shares subject to the award, the exercise price, the applicable vesting schedule, and the holder's state of residence (or, for any holder who is not a resident of the United States, country of residence).

(iv) The authorized equity capital of the Issuer consists of an unlimited number of Issuer Common Units and an unlimited number of Preferred Units. On the date hereof and immediately prior to the Closing, the sole member of the Issuer is and will be the Parent. Immediately following the Closing, there will be issued and outstanding (x) 1000 Issuer Common Units, all of which will be held by the Parent, and (y) the Purchased Preferred Units, all of which will, collectively, be held by the Investors. All Issuer Common Units and, when issued, Preferred Units, are (or will be) duly authorized for issuance and are (or will be) validly issued, fully paid and non-assessable units of Issuer Common Units or Preferred Units of the Issuer and not issued in violation of any pre-emptive rights, rights of first offer or refusal or similar rights.

(d) **Subsidiaries**. Each of the Parent's other Subsidiaries is duly organized and is validly existing in good standing under the Laws of the jurisdiction of its formation (where such concept applies), except where the failure to be so organized, existing and in good standing would not, individually or in the aggregate, reasonably be expected to be material to the Parent and its Subsidiaries, taken as a whole. Each of the Parent's other Subsidiaries has all requisite power and authority to own, lease and operate its properties and assets and conduct its business as described in the Public Disclosure Documents and is duly qualified, licensed or registered to transact business and is in good standing in each jurisdiction in which the conduct of its business or its ownership, leasing or operation of property or assets requires such qualification, except where, individually or in the aggregate, the failure to obtain such qualification or good standing would not, individually or in the aggregate, reasonably be expected to be material to the Parent and its Subsidiaries, taken as a whole. True and complete copies of the Parent's others Subsidiaries' articles, by-laws or other organizational documents of the Parent's others Subsidiaries, each as amended to the date hereof, have been provided to the Investors prior to the date hereof or are publicly available in the Public Disclosure Documents. Except as would not, individually or in the aggregate, reasonably be expected to be material to the Parent and its Subsidiaries, taken as a whole, one of the Parent's other Subsidiaries are in violation of their respective articles or certificate of incorporation, by-laws, certificate of formation, or other organizational documents. Except as disclosed in the Public Disclosure Documents, all of the outstanding units or other equity interests of the Issuer and each other Subsidiary of the Parent have been duly and validly authorized and issued and are wholly-owned, directly or indirectly, by the Parent, were not issued in violation of any pre-emptive rights, rights of first offer or refusal or similar rights, and no Person has any agreement, option, right or privilege capable of becoming an agreement for or the right to purchase any of the issued or unissued units or other equity interests of the Issuer or any other Subsidiary of the Parent.

(e) No Additional Securities.

(i) As of the date of this Agreement, there are no Equity Securities of the Parent or any of its Subsidiaries outstanding, other than (A) for vesting or settlement of outstanding stock options and restricted share units granted pursuant to the Parent Incentive Plans outstanding on the date hereof and described in Section 3.1(c) or (B) as contemplated by the Transaction Agreements.

(ii) As of the date of this Agreement: (1) there are no outstanding agreements of any kind which obligate the Parent or the Issuer to repurchase, redeem or otherwise acquire any of their Equity Securities, or obligate the Parent or the Issuer to grant, extend or enter into any such agreements relating to any of their Equity Securities (other than pursuant to the Parent Incentive Plans), including any agreements granting any pre-emptive rights, subscription rights, anti-dilutive rights, rights of first refusal or similar rights with respect to any such Equity Securities, and (2) none of the Parent or the Issuer is a party to any shareholders agreement, voting trust agreement, registration rights agreement or other similar agreement or understanding relating to any of their Equity Securities or any other agreement relating to the disposition, voting or dividends with respect to any of their Equity Securities. There are no voting trusts or other agreements to which the Parent or the Issuer is a party with respect to the voting of any of their Equity Securities.

(iii) Other than the Transaction Agreements, as of the date of this Agreement, the Parent and the Issuer have not entered into and the Parent and the Issuer will not enter into any agreement relating to the issuance of any additional Preferred Units (including with respect to rights upon exchange of Preferred Units for Real Common Shares pursuant to the LLC Agreement or the Exchange Agreement).

(f) Issuance of Purchased Securities.

(i) The Issuer has full power and authority to issue the Purchased Preferred Units. The issuance of the Purchased Preferred Units has been (or will be at Closing) duly authorized and, upon payment of the Proceeds attributable to the Purchased Preferred Units, the Purchased Preferred Units will be validly issued as fully paid and non-assessable Preferred Units of the Issuer. On the Closing Date, the Investors will be the legal and registered owners of the Purchased Preferred Units and will have good title thereto free and clear of all Encumbrances (except restrictions imposed by the LLC Agreement, any applicable Securities Laws**,** as may be imposed by the TSXV, as may be imposed as a result of the application of the securities Laws of any jurisdiction applicable to the Investors, or as are imposed as a result of any actions taken by the Investors).

(ii) The Parent has full power and authority to issue the Warrants. The issuance of the Warrants has been (or will be at Closing) duly authorized, created and validly issued Warrants of the Parent. On the Closing Date, the Investors will be the legal and registered owners of the Warrants and will have good title thereto free and clear of all Encumbrances (except restrictions imposed by the Warrant Certificates, any applicable Securities Laws**,** as may be imposed by the TSXV, as may be imposed as a result of the application of the securities Laws of any jurisdiction applicable to the Investors, or as are imposed as a result of any actions taken by the Investors).

(g) **Issuance of Exchange Common Shares**. The Parent has full corporate power and authority to issue the Exchange Common Shares upon exchange of the Purchased Preferred Units in accordance with the terms of the LLC Agreement or the terms of the Exchange Agreement or exercise of the Warrants pursuant to the terms of the Warrant Certificates. The issuance of the Exchange Common Shares upon exchange of the Purchased Preferred Units or exercise of the Warrants, in each case, has been (or will be at Closing) duly authorized and, upon exchange of the Purchased Preferred Units in accordance with the terms of the LLC Agreement or the terms of the Exchange Agreement or exercise of the Warrants pursuant to the terms of the Warrant Certificates, the Exchange Common Shares will be validly issued as fully paid and non-assessable Real Common Shares, and not issued in violation of any pre-emptive rights, rights of first offer or refusal or similar rights. As of the date hereof, the Parent has reserved for future issuance 34,573,684 Real Common Shares in connection with the exchange of the Purchased Preferred Units for Exchange Common Shares in accordance with the terms of the LLC Agreement and the terms of the Exchange Agreement and with the exercise of the Warrants pursuant to the terms of the Warrant Certificates. At the time of issuance of the Exchange Common Shares upon exchange of the Purchased Preferred Units in accordance with the terms of the LLC Agreement or the terms of the Exchange Agreement, or upon exercise of the Warrants pursuant to the terms of the Warrant Certificates, the Investors (or their transferees) will be the legal owners of the Exchange Common Shares and will have good title thereto free and clear of all Encumbrances, other than as may be imposed as a result of any applicable Securities Laws**,** as may be imposed by the TSXV, as may be imposed as a result of the application of the securities Laws of any jurisdiction applicable to the Investors (or such transferee), or as are imposed as a result of any actions taken by the Investors (or such transferee).

(h) **No Violation**. The execution and delivery by the Parent and the Issuer of each of the Transaction Agreements to which it is a party, and the performance by it of or compliance with its obligations thereunder, including, the issuance of the Purchased Securities and the Exchange Common Shares to the Investors will not: (i) conflict with or result in any violation of the provisions of the articles, by-laws or other organizational documents of the Parent or the Issuer (including the LLC Agreement); (ii) conflict with or result in any violation of similar organizational documents of any other Subsidiary of the Parent; (iii) conflict with or result in a breach or violation of any of the terms or provisions of, constitute a default (or constitute an event which, with notice or lapse of time or both, would violate or constitute a default), or accelerate the performance required by the Parent, the Issuer or any of the Parent's other Subsidiaries under, any Contract to which the Parent, the Issuer or any of the Parent's other Subsidiaries is a party or by which the Parent, the Issuer or any of the Parent's other Subsidiaries is bound or to which any of the property or assets of the Parent, the Issuer or any of the Parent's other Subsidiaries is subject; or (iv) subject to the receipt of the TSXV Approval (final), result in any violation of the provisions of any Law or Order applicable to the Parent, the Issuer or any of the Parent's other Subsidiaries.

(i) **Consents and Approvals**. No consent, approval, authorization, license, permit, declaration, registration, notice or filing of or with any Governmental Entity or any other Person by the Parent or any of its Subsidiaries is required for the issue and sale of the Purchased Securities or the issue of the Exchange Common Shares upon exchange of the Purchased Preferred Units in accordance with the terms of the LLC Agreement or the terms of the Exchange Agreement, exercise of the Warrants pursuant to the terms of the Warrant Certificates, or the consummation by the Parent and the Issuer of the transactions contemplated by the Transaction Agreements, other than: (i) the TSXV Approval (final); (ii) the filings required to be made, prior to or following the Closing under the published rules of the TSXV; and (iii) the filings required to be made by the Parent under applicable Securities Laws.

(j) Anticorruption and Sanctions Laws Compliance.

(i) Neither the Parent, its Subsidiaries nor any Related Party of the Parent or its Subsidiaries is (i) a Person listed in any Sanctions-related list of designated Persons maintained by the Office of Foreign Assets Control of the U.S. Treasury Department ("**OFAC**") or the U.S. Department of State, (ii) a Person operating, organized or resident in a country or region which is itself the subject or target of any Sanctions ("**Sanctioned Country**"), or (iii) any Person owned or controlled by any Person or Persons specified in (i) or (ii) above or otherwise the target of Sanctions (together "**Sanctioned Persons**"). The Parent, its Subsidiaries and each Related Party of the Parent and its Subsidiaries are in compliance with applicable Sanctions in all material respects and are not knowingly engaged in any activity that would reasonably be expected to result in the Parent, its Subsidiaries or any respective Related Party being designated as a Sanctioned Person. The Parent and its Subsidiaries have implemented and maintains in effect and enforces policies and procedures reasonably designed to ensure compliance by the Parent and its directors, officers, employees and agents with Sanctions applicable to such Persons. Neither the Parent, its Subsidiaries nor any Related Party of the Parent or its Subsidiaries is engaged directly in any business or transactions with any Sanctioned Person or in any Sanctioned Country, or knowingly engaged in any indirect business or transactions with any Sanctioned Person or in any Sanctioned Country or any in any manner that would result in the violation of Sanctions by any Person, including the Investors.

(ii) The Parent and its Subsidiaries are in compliance in all material respects with all anti-money laundering laws, rules, regulations and orders of jurisdictions applicable to the Parent and its Subsidiaries (collectively, "**AML Laws**"), including the USA PATRIOT Act and no proceeding involving the Parent or its Subsidiaries with respect to AML Laws is currently pending or, to the knowledge of the Parent, threatened which in each case would be reasonably expected to result in a material violation of this representation. The Parent and its Subsidiaries are not required to be registered with the U.S. Department of the Treasury as a money services business, as such term is defined by U.S. federal law or regulation, nor is Parent or any of its Subsidiaries required to be registered or licensed as a money services business, money transmitter, or equivalent enterprise under the applicable Law of any other jurisdiction.

(iii) Neither the Parent, its Subsidiaries nor, to the Parent's knowledge, any of their respective directors, officers, employees or agents have, directly or indirectly, made, offered, promised or authorized, or caused to be made offered, promised or authorized, any payment, contribution, gift or favor of anything of value, including but not limited to money, property or services, whether or not in contravention of the U.S. Foreign Corrupt Practices Act of 1977, as amended from time to time (the "**FCPA**") or any similar other applicable law prohibiting public or commercial bribery or corruption (collectively, including the FCPA, the "**Legislation**") to or for the benefit of any "foreign official" (as such term is defined in the FCPA), foreign political party or official thereof or candidate for foreign political office for the purpose of (i) influencing any official act or decision of such official, party or candidate, (ii) inducing such official, party or candidate to use his, her or its influence to affect any act or decision of a foreign Governmental Entity, or (iii) securing any improper advantage, in the case of (i), (ii) and (iii) above in order to assist the Parent or any of its Affiliates in obtaining or retaining business for or with, or directing business to, any Person. Neither the Parent, its Subsidiaries nor, to the Parent's knowledge, any of the their respective directors, officers, employees or agents have made or authorized any bribe, rebate, payoff, influence payment, kickback or other unlawful payment of funds or received or retained any funds in violation of any law, rule or regulation. Neither the Parent, its Subsidiaries nor, to the Parent's knowledge, any of the their respective officers, directors or employees, (A) is under investigation for any potential violation of the Legislation, (B) has received any notice or other communication (in writing or otherwise) from any Governmental Entity regarding any actual, alleged, or potential violation of, or failure to comply with, any Legislation, (C) is aware of or has any reason to believe that there has been any violation or potential violation of the Legislation by the Parent, its Subsidiaries, any of their respective officers, directors or employees or any other business entity or enterprise with which the Parent is or has been engaged, affiliated or associated or (D) has committed any act that would constitute a violation of the Legislation irrespective of whether the Legislation applies as a jurisdictional matter. The Parent further represents that it has maintained systems of internal controls (including, but not limited to, accounting systems, purchasing systems and billing systems) to ensure compliance with the FCPA or any other applicable anti-bribery or anti-corruption law. Neither the Parent, its Subsidiaries nor, to the Parent's knowledge, any of their respective officers, directors or employees are the subject of any allegation, voluntary disclosure, investigation, prosecution or other enforcement action related to the FCPA or any other anti-corruption law, and neither the Parent, its Subsidiaries nor, to the Parent's knowledge, any of their respective officers, directors or employees, nor any direct, indirect, or beneficial owners of the foregoing, is or has been a foreign official as defined under the FCPA (including any employee of a state-owned or state- controlled entity, business, or corporation).

(k) **Compliance with Contracts and Laws**. Each Material Agreement to which the Parent or any of its Subsidiaries is a party or by which the Parent or any of its Subsidiaries or any of their respective properties or assets is bound is valid, binding and enforceable on the Parent and any of its Subsidiaries to the extent such Person is a party thereto, as applicable, and is in full force and effect, except where the failure to be valid, binding or in full force and effect, would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. Neither the Parent nor any of its Subsidiaries is in default in the performance or observance of any obligation, agreement, covenant or condition contained in any Material Agreement to which it is a party or by which it or any of its properties or assets may be bound except: (i) as disclosed in the Public Disclosure Documents; or (ii) such default which would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. The Parent and each of its Subsidiaries are and have been in compliance with, and are conducting and have conducted their businesses in compliance with, all applicable Laws, except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. The Parent and each of its Subsidiaries are, and have been, in compliance with all Laws that are applicable to the Parent or any of its Subsidiaries, except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. The Parent and each of its Subsidiaries hold all licenses, franchises, permits, certificates, approvals and authorizations from Governmental Entities ("**Permits**") necessary for the lawful conduct of their respective businesses or for the ownership and use of their assets in compliance with all Laws, including the real estate brokerage Permits except which would not, individually or in the aggregate, reasonably be expected to be material to the business of the Parent or its Subsidiaries. Each Permit is valid, subsisting and in good standing, none of the Parent or any of its Subsidiaries is in default or breach of any Permit and, no proceeding is pending or, to the knowledge of the Parent or any of its Subsidiaries, threatened to revoke or limit any Permit except which would not, individually or in the aggregate, reasonably be expected to be material to the business of the Parent or its Subsidiaries. All Permits are renewable by their terms or in the ordinary course of business without the need for the Parent or its Subsidiaries holding such Permits to comply with any special rules or procedures, agree to any materially different terms or conditions or pay any amounts other than routine filing fees.

(l) **Regulatory Matters**. The Parent is a "reporting issuer" in each of the Reporting Jurisdictions and is not included in a list of defaulting reporting issuers maintained by the Securities Regulators of any such jurisdictions. The Parent has not taken any action to cease to be a reporting issuer in any jurisdiction in which it is a reporting issuer and has not received any notification from a Securities Regulator seeking to revoke the Parent's reporting issuer status. The Parent has filed with the Securities Regulators, on a timely basis, all required financial statements, annual information forms, proxy solicitation materials, material change reports and other documents required to be filed by it under Canadian Securities Laws. As of their respective filing dates, each of the Public Disclosure Documents complied with the requirements of applicable Canadian Securities Laws in all material respects and none of the Public Disclosure Documents contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements made therein or necessary in order to make the statements therein, in light of the circumstances in which they were made, not misleading. To the knowledge of the Parent, none of Public Disclosure Documents as of the date of this Agreement is the subject of ongoing review by any Canadian Securities Commission and, as of the date of this Agreement, the Parent has not received any comments from any Canadian Securities Commission with respect to any of the Public Disclosure Documents which, to the knowledge of the Parent, remain unresolved, nor has it received any inquiry or information request from any Canadian Securities Commission as of the date of this Agreement as to any matters affecting the Parent which have not been adequately addressed.

(m) **Listing of Common Shares**. The Real Common Shares are listed and posted for trading on the TSXV, and no Order ceasing or suspending trading in any securities of the Parent or prohibiting the sale or issuance of the Purchased Securities or the Exchange Common Shares or the trading of any of the Parent's issued securities has been issued and no (formal or informal) proceedings for such purpose are pending or contemplated by the Parent or, to the knowledge of the Parent, have been threatened. The Parent is in compliance in all material respects with the rules and regulations of the TSXV.

(n) **Financial Statements**. The Audited Financial Statements and the Interim Financial Statements present fairly the financial position of the Parent and its Subsidiaries as of the respective dates of such financial statements and schedules, and the results of operations and cash flows of the Parent and its Subsidiaries for the respective periods covered thereby. The Audited Financial Statements and the Interim Financial Statements have been prepared in accordance with IFRS applied on a consistent basis, as certified by Smythe LLP and Brightman Almagor Zohar & Co., as applicable, the independent chartered professional accountants, with respect to the Audited Financial Statements, and as certified by Brightman Almagor Zohar & Co., the independent chartered professional accountants, with respect to the Interim Financial Statements. Neither the Parent nor any of its Subsidiaries has any liabilities of any nature (whether accrued, absolute, contingent or otherwise) that would be required under IFRS to be reflected on a consolidated balance sheet of the Parent and its Subsidiaries (including the notes thereto) except for: (i) liabilities reflected or reserved against in the Audited Financial Statements and the Interim Financial Statements; (ii) liabilities incurred pursuant to the transactions contemplated by the Transaction Agreements; and (iii) liabilities incurred in the ordinary course since September 30, 2020.

(o) **Independence of Auditors**. Smythe LLP, who have audited the Audited Financial Statements of ADL Ventures Inc., and Brightman Almagor Zohar & Co. who have audited the Audited Financial Statements of Real Technology Broker Ltd. and reviewed the Interim Financial Statements, are independent chartered professional accountants with respect to the Parent as required by applicable Canadian Securities Laws. Since June 8, 2020, there has not been any change of auditors of the Parent or its Subsidiaries, nor is there currently nor has there been any reportable disagreements (within the meaning of NI 51-102) with either of Smythe LLP or Brightman Almagor Zohar & Co. or any disagreements respecting any matter that resulted in a reservation in Smythe LLP's auditors' report with respect to the Audited Financial Statements.

(p) **Internal Controls and Disclosure Controls and Procedures.** Except as may be disclosed in the Public Disclosure Documents, the Parent has designed and maintains systems of "internal control over financial reporting" (as such term is defined in NI 52-109) intended to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS and, to the knowledge of the Parent, there are no material weaknesses in its system of internal control over financial reporting. Except as may be disclosed in the Public Disclosure Documents, the Parent has designed and maintains "disclosure controls and procedures" (as that term is defined in NI 52-109) intended to provide reasonable assurance that material information relating to the Parent is made known to the Parent's Chief Executive Officer and Chief Financial Officer by others within the Parent, including such information required to be disclosed by the Parent in "annual filings" or in "interim filings" (as those terms are defined in NI 52-109) or other reports submitted by the Parent under applicable Canadian Securities Laws is recorded, processed, summarized and reported within the time periods specified in the applicable Canadian Securities Laws. Since May 26, 2020, Parent has disclosed to the Parent's auditors and the audit committee of the Parent's board of directors (A) all significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting, in each case that are reasonably likely to adversely affect in any material respect the Parent's ability to record, process, summarize and report financial information and (B) any fraud, whether or not material, that involves management or other employees who have a significant role in the Parent's internal controls over financial reporting.

(q) **Accounting Controls**. The Parent and each of its Subsidiaries makes and keeps, and at all times has maintained and kept, accurate books and records in all material respects, including with respect to all constating and/or organizing documents and by-laws, minute books, registers, share certificate books and all other similar documents and records. The Parent and each Subsidiary has designed, maintains and implements, and at all times, has maintained and implemented, internal accounting controls sufficient to provide reasonable assurances regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS, including that: (i) transactions are executed only in accordance with management's authorization; (ii) transactions are recorded as necessary to permit preparation of its financial statements and to maintain accountability for its assets; (iii) access to its assets is permitted only in accordance with management's authorization; and (iv) the reported accountability for its assets is compared with existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

(r) **No Material Change**. Except as disclosed in the Public Disclosure Documents, since May 26, 2020, no change has occurred in any of the business, condition (financial or otherwise), operations, results of operations, capital, property, assets or liabilities of the Parent or its Subsidiaries, taken as a whole, which, would individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. Since the date of the Audited Financial Statements, except as: (i) described therein, (ii) as otherwise disclosed in the Public Disclosure Documents, and (iii) for the transactions contemplated by the Transaction Agreements, (A) the Parent and its Subsidiaries on a consolidated basis have not incurred any liabilities or obligations, direct, contingent or otherwise, or entered into or agreed to enter into any transactions or Contracts, which liabilities, obligations, transactions or contracts would, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect; (B) the Parent has not purchased any of its outstanding share capital, other than pursuant to a normal course issuer bid (as such term is defined under Canadian Securities Laws); (C) there has not been any material change in the share capital or long-term indebtedness of the Parent and its Subsidiaries on a consolidated basis, other than in the ordinary course of business; and (D) the business of the Parent and its Subsidiaries has been carried on and conducted in all material respects in the ordinary course of business consistent with past practice, except for changes in the conduct of business in order to comply with any quarantine, "shelter in place", "stay at home", workforce reduction, social distancing, shut down, closure, sequester or any other Law, Order, directive, guidelines or recommendations by any Governmental Entity in connection with or in response to the novel coronavirus COVID-19.

(s) Labour and Benefits Matters.

(i) Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, neither the Parent nor any of its Subsidiaries is party to or bound by any collective bargaining agreement or labour-related Contract with any labour organization, labour union, or works council. Except for instances that would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect: (i) to the Parent's knowledge, no other union organizational activity is threatened; (ii) there are no active, or, to the Parent's knowledge, threatened, labour strikes, slowdowns, work stoppages, pickets, walkouts, lockouts, unfair labour practice charges, grievances, arbitrations, or other material labour disputes with respect to the employees of the Parent or any of its Subsidiaries; and (iii) to the Parent's knowledge, no employee layoff, facility closure, furlough, or similar reduction in force or reduction in salaries and/or wage rates or hours is currently contemplated, planned or announced. True, correct and complete copies of all the Employee Plans (or if oral, summaries thereof), together with all related documentation, is either disclosed in the Public Disclosure Documents or have been furnished to the Investors by the Parent and its Subsidiaries. Each Employee Plan has been established, maintained, administered and funded in compliance in all material respects with all Laws applicable thereto and the terms and conditions thereof. No plan provides retiree health or life insurance benefits except as may be required by applicable Law or at the expense of the participant or the participant's beneficiary. No plan, practice or policy of the Parent and its Subsidiaries provides for severance pay or any form of compensation in connection with the termination of employment services. The Parent and its Subsidiaries have made all required contributions (including all employer contributions and employee salary reduction contributions), paid all insurance premiums and any intercompany charges or properly accrued and reflected such in the most recent consolidated balance sheet prior to the date hereof, in accordance with the provisions of each plan and applicable Law.

(ii) As of the date hereof, the Parent and its Subsidiaries employ 14 full-time employees and directly engage 26 individual consultants or independent contractors.

(iii) With respect to any officer or key employee of the Parent and its Subsidiaries, to the knowledge of the Parent: (i) no such Person intends to terminate employment with or is otherwise likely to cease providing to the Parent and its Subsidiaries, nor is there a present intention to terminate the employment of such Person; (ii) since January 1, 2016, no allegations of sexual harassment or sexual misconduct have been made against any such Person; (iii) each such Person is currently devoting their full business time to the Parent and its Subsidiaries, without an intent to work less than full- time in the future; and (iv) each such Person whose employment with the Parent and its Subsidiaries was terminated has entered into an agreement providing a full release of claims in favor of the Parent and its related Persons.

(iv) With respect to any employee, individual consultant, independent contractor or director of the Parent and its Subsidiaries: (i) to the knowledge of the Parent, no such Person is party to any Contract or subject to any Order that would interfere with such Person's ability to promote the interests of the Parent or conflict with the Parent's business as presently conducted or proposed to be conducted, nor will the consummation of the transactions contemplated by the Transaction Agreements or the conduct of the Parent's business as presently conducted or proposed to be conducted result in a breach of Contract under which any such Person is now obligated; (ii) the employment or service relationship of each such Person is terminable at the will of the Parent and its Subsidiaries without any penalty or severance obligation of any kind, except as required by Law; (iii) neither the Parent nor its Subsidiaries have made any representations regarding compensation that is inconsistent with the representations set forth herein; (iv) since January 1, 2016, neither the Parent nor its Subsidiaries have entered into any settlement agreement related to allegations of sexual harassment or sexual misconduct by any such Person; and (v) the consummation of the transactions contemplated by the Transaction Agreement will not, directly or indirectly, result in the payment of any retention, severance, bonus or similar compensatory amount, or in any amount that would be an "excess parachute payment" within the meaning of Section 280G of the Code.

(v) Neither the Parent nor its Subsidiaries are delinquent in payments to (i) any of its current or former employees, individual consultants, independent contractors or directors for wages, salaries, commissions, bonuses, or other direct compensation for any services performed prior to the date hereof or amounts required to be reimbursed to such Persons or (ii) any Governmental Entity in respect of amounts required to be withheld from such Persons. The Parent and its Subsidiaries have complied in all material respects with all applicable state and federal equal employment opportunity Laws and with other Laws related hiring of employees and employment of labor, including those related to wages, hours, overtime, immigration, workforce reduction, worker classification, employment standards, employment discrimination, workers' compensation, terms and conditions of employment, occupational health and safety, disability benefits, termination of employment, human rights, pay equity, employment equity, collective bargaining, payment of social security and other Taxes.

(vi) Neither the Parent nor any of its Subsidiaries or predecessors has contributed to, contributes to, has been required to contribute to, or otherwise participates in or in any way has any liability, directly or indirectly (including, due to any such Person's relationship with any "ERISA affiliate" (within the meaning of Section 414(b), (c), (m) or (o) of Employee Retirement Income Security Act of 1974, as amended ("ERISA")), with respect to any plan subject to Section 412, 430, 431, 432 or 4971 of the Code, Section 302, 303, 304 or 305 of ERISA or Title IV of ERISA, including, any "multiemployer plan" (within the meaning of Sections 3(37) or 4001(a)(3) of ERISA or Section 414(f) of the Code), a "multiple employer plan" (as defined in Section 413 of the Code), a "multiple employer welfare arrangement" (as defined in Section 3(40) of ERISA), any single employer pension plan (within the meaning of Section 4001(a)(15) of ERISA) which is subject to Sections 4063, 4064 and 4069 of ERISA or Section 413(c) of the Code, a plan sponsored by a human resources or benefits outsourcing entity, professional employer organization or similar vendor or provider, or a plan maintained in connection with any trust described in Section 501(c)(9) of the Code.

(t) **Solvency**. The Parent and the Issuer are, and on the Closing Date after giving effect to the transactions contemplated by the Transaction Agreements and the payment of all fees and expenses, will be, solvent. Neither the Parent nor any of its Subsidiaries is in default in the payment of any material Indebtedness or in material default under any agreement relating to its material Indebtedness. For purposes of this Section 3.1(u), the term "**solvent**" with respect to the Parent and the Issuer means that, as of any date of determination, (x) the amount of the "fair saleable value" of the assets of such Person and its Subsidiaries, taken as a whole, exceeds, as of such date, the sum of (i) the value of all "liabilities of such Person and its Subsidiaries, taken as a whole, including contingent and other liabilities", as of such date, as such quoted terms are generally determined in accordance with the applicable Laws governing determinations of the solvency of debtors, and (ii) the amount that will be required to pay the probable liabilities of such Person and its Subsidiaries taken as a whole on their respective existing debts (including contingent liabilities) as such debts become absolute and matured; (y) neither such Person nor its Subsidiaries will have, as of such date, an unreasonably small amount of capital for the operation of the business in which it is engaged or proposed to be engaged by such Person or its Subsidiaries following such date; and (z) such Person and its Subsidiaries will be able to pay their respective liabilities, including contingent and other liabilities, as they mature.

(u) **Affiliate Transactions**. As of the date of this Agreement, and since the date of the Audited Financial Statements, none of the Parent's or its Subsidiaries' officers, directors, consultants, employees, members of the immediate families of the foregoing, or, to the Parent's knowledge, any Affiliate of the foregoing, was or is presently a party to any transaction with the Parent or any of its Subsidiaries (other than as recipients of compensation from the Parent, including awards under the Parent Incentive Plans, and otherwise for services as employees, officers and directors). The Parent and its Subsidiaries are not indebted, directly or indirectly, to any of their directors, officers, consultants or employees or to their respective spouses or children or, to the Parent's knowledge, any Affiliate of any of the foregoing, other than in connection with expenses or advances of expenses incurred in the ordinary course of business or employee relocation expenses and for other customary employee benefits made generally available to all employees. None of the Parent's or its Subsidiaries directors, officers, consultants or employees, or any members of their immediate families, or, to the Parent's knowledge, any Affiliate of the foregoing are, directly or indirectly, indebted to the Parent or its Subsidiaries or, to the Parent's knowledge, have any (a) material commercial, industrial, banking, consulting, legal, accounting, charitable or familial relationship with any of the Parent or its Subsidiaries' customers, suppliers, service providers, joint venture partners, licensees and competitors or (b) direct or indirect ownership interest in any Person with which the Parent or its Subsidiaries are affiliated or with which the Parent or its Subsidiaries have a business relationship, or any Person that competes with the Parent or its Subsidiaries except that directors, officers, consultants or employees or stockholders of the Parent may own stock in (but not exceeding two percent (2%) of the outstanding capital stock of) publicly traded companies that may compete with the Parent.

(v) **Tax**. Except as has not and would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect: (i) the Parent and each of its Subsidiaries has prepared (or caused to be prepared) and timely filed (taking into account valid extensions of time within which to file) all Tax Returns required to be filed by it, and all such filed Tax Returns (taking into account all amendments thereto) are true, complete and accurate; (ii) all Taxes owed by the Parent and each of its Subsidiaries that are due (whether or not shown on any Tax Return) have been timely paid, except for Taxes that are being contested in good faith by appropriate proceedings and that have been adequately reserved against in accordance with IFRS; (iii) all amounts of Taxes required to be withheld, charged or collected by the Parent or any of its Subsidiaries have been duly withheld, charged or collected and have been remitted to the appropriate taxing authority as required by applicable Law; (iv) no deficiency for any Tax has been asserted or assessed by any Governmental Entity in writing against the Parent or any of its Subsidiaries, except for deficiencies that have been satisfied by payment in full, settled or withdrawn or that have been specifically identified in the Audited Financial Statements and adequately reserved against in accordance with IFRS; and (v) for all transactions between the Parent or any of its Subsidiaries that are resident in Canada, on the one hand, and any Person not-resident in Canada with whom the Parent or any of such Subsidiaries was not dealing at arm's length for the purposes of the *Income Tax Act* (Canada), on the other hand, during a taxation year commencing after 1998 and ending on or before the date hereof, the Parent and each such Subsidiary has made or obtained records or documents that satisfy the requirements of paragraphs 247(4)(a) to (c) of the *Income Tax Act* (Canada).

(w) **Legal Proceedings**. Except as disclosed in the Public Disclosure Documents or as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, there is no (a) pending or, to the knowledge of the Parent, threatened, legal, regulatory or administrative proceeding, suit, investigation, arbitration or action (an "**Action**") against the Parent or any of its Subsidiaries or against any consultant, officer or director of the Parent arising out of his or her consulting, employment or board relationship with the Parent or (b) Order that is outstanding which is imposed upon the Parent, the Issuer or any of their Subsidiaries, in each case, by or before any Governmental Entity. The foregoing includes Actions pending or overtly threatened involving the prior employment or consultancy of any of the Parent's consultants, employees, officers or directors or their services provided in connection with the Parent's business. There is no Action by the Parent pending or that the Parent intends to initiate.

(x) **No Broker's Fees**. Neither the Parent nor any of its Subsidiaries (including the Issuer) is party to any Contract with any Person that would give rise to any liability of the Investors to pay a brokerage commission, finder's fee, financial advisor fee or like payment, fee or commission, or the reimbursement of expenses in connection therewith, in connection with the issuance and sale of the Purchased Securities or the transactions contemplated by the Transaction Agreements.

(y) Agreements; Actions.

(i) Except for the Transaction Agreements, there are no agreements, understandings, instruments, contracts or proposed transactions to which the Parent or its Subsidiaries are a party or by which they are bound that involve (a) obligations (contingent or otherwise) of, or payments to, the Parent or its Subsidiaries in excess of $500,000, (b) the license of any Intellectual Property to or from the Parent or any of its Subsidiaries other than (x) non-exclusive licenses to commercially available software products under standard end-user object code license agreements or standard customer terms of service and privacy policies for internet sites, in each case, with non-discriminatory pricing terms, (y) non-exclusive license agreements of limited duration granted to customers of the Parent or any of its Subsidiaries in the ordinary course of business, or (z) other non-exclusive licenses for generally commercially available Intellectual Property entered in the ordinary course of business having an annual or replacement value of less than $100,000, (c) the grant of rights to manufacture, produce, assemble, license, market, or sell its products or services to any other Person, or that limit the Parent's or its Subsidiaries exclusive right to develop, manufacture, assemble, distribute, market or sell its products or services, (d) indemnification by the Parent or its Subsidiaries with respect to infringements of proprietary rights other than standard customer or channel agreements, or (e) any Contract that is material to the business that is operated by the Parent and its Subsidiaries (each, a "**Material Agreement**"). The Parent and its Subsidiaries are not in material breach of or material default under any Material Agreement and, to the Parent's knowledge, there is no current claim or threat that the Parent or its Subsidiaries are or have been in material breach of or material default under any Material Agreement. Each Material Agreement is in full force and effect and is enforceable by the Parent or its Subsidiaries in accordance with its respective terms, except as may be limited by (i) applicable bankruptcy, insolvency, reorganization or others laws of general application relating to or affecting the enforcement of creditors' rights generally, or (ii) the effect of rules of law governing the availability of equitable remedies. To the Parent's knowledge, no other party to a Material Agreement is in material default thereunder or in actual or anticipated material breach thereof.

(ii) Except as provided in the Public Disclosure Documents, the Parent or its Subsidiaries have not (a) declared or paid any dividends, or authorized or made any distribution upon or with respect to any class or series of its capital stock, (b) incurred any Indebtedness for money borrowed or incurred any other liabilities individually in excess of $250,000 or in excess of $500,000 in the aggregate (other than Indebtedness or liabilities that have already been fully satisfied), (c) made any loans or advances to any Person, other than ordinary advances for travel expenses, or (d) sold, exchanged or otherwise disposed of any of its assets or rights, other than the sale of its inventory in the ordinary course of business. For the purposes of Section 3.1(y), all Indebtedness, liabilities, agreements, understandings, instruments, Contracts and proposed transactions involving the same Person (including Persons the Parent has reason to believe are affiliated with each other) shall be aggregated for the purpose of meeting the individual minimum dollar amounts of such section.

(iii) The Parent is not a guarantor or indemnitor of any indebtedness of any other Person.

(z) Data Privacy.

(i) The Parent and its Subsidiaries comply with, and have at all times complied with, all Data Protection Requirements. The Parent and each of its Subsidiaries have established and maintain, and have maintained, physical, technical, and administrative security measures and policies, compliant with applicable Data Protection Requirements, that protect the confidentiality, integrity, security, and availability of the Parent's and its Subsidiaries' respective software, systems, and websites that are involved in the collection and/or processing of Personal Data and/or business data and Data Systems. Neither the Parent nor any of its Subsidiaries have experienced any failures, crashes, security breaches or incidents, unauthorized access, use, modification, or disclosure, or other adverse events or incidents related to Personal Data and/or business data and Data Systems that would require notification of individuals, other affected parties, law enforcement, or any Governmental Entity. Neither the Parent nor its Subsidiaries have received any subpoenas, demands, or other notices from any Governmental Entity investigating, inquiring into, or otherwise relating to any actual or potential violation of any Data Protection Law and, to the Parent's Knowledge, neither the Parent nor any of its Subsidiaries is under investigation by any Governmental Entity for any actual or potential violation of any Data Protection Law. No notice, complaint, claim, inquiry, audit, enforcement action, proceeding, or litigation of any kind has been served on, or initiated against the Parent, any of its Subsidiaries, or any of their respective officers, directors, or employees (in their capacity as such) by any private party or Governmental Entity, foreign or domestic, under any Data Protection Requirement. The execution, delivery, and performance of this Agreement shall not cause, constitute, or result in a breach or violation of any Data Protection Requirement or other standard terms of service entered into by the users of the Parent's or its Subsidiaries' service(s).

(aa) Intellectual Property.

(i) The Parent and each of its Subsidiaries own or possess sufficient legal rights to all Parent Intellectual Property without, to the Parent's knowledge, any violation, misappropriation or infringement (or in the case of third-party patents, without any violation or infringement known to the Parent) of the rights of any other Person.

(ii) To the Parent's knowledge, neither the conduct of the Parent's or any of its Subsidiaries' businesses nor the marketing, sale or use of any of the Parent's or any of its Subsidiaries products or services (in each case, as currently or previously conducted or used, as applicable) violated or violates any license to which the Parent or its Subsidiaries is a party or violated, misappropriated or infringed or violates, misappropriates or infringes, any Intellectual Property of any other Person. To the Parent's knowledge, no Person is violating, misappropriating or infringing any Parent Intellectual Property owned by the Parent or any of its Subsidiaries.

(iii) Other than with respect to commercially available software products, licensed under standard end-user object code license agreements with non- discriminatory pricing terms, that are not and will not be incorporated into, or used to provide or develop, the Parent's or any of its Subsidiaries' software, products or services, non-exclusive license agreements of limited duration granted to customers of the Parent or any of its Subsidiaries in the ordinary course of business, or other non-exclusive licenses for generally commercially available Intellectual Property entered in the ordinary course of business having an annual or replacement value of less than $100,000, there is no outstanding option, license, agreement, claim, encumbrance or shared ownership interest of any kind relating to the Parent Intellectual Property, nor is the Parent or any of its Subsidiaries bound by or a party to any options, licenses or agreements of any kind with respect to the Intellectual Property of any other Person.

(iv) Within the last three (3) years, neither the Parent nor any of its Subsidiaries has received any written communication alleging that the Parent or any of its Subsidiaries has violated, misappropriated or infringed the Intellectual Property of any other Person, and the Parent is not aware of any potential basis for such an allegation or of any reason to believe that such an allegation may be forthcoming.

(v) The Parent and each of its Subsidiaries have obtained and possesses valid licenses to use all of the software programs present on the computers and other software-enabled electronic devices that it owns or leases or that it has otherwise provided to its employees for their use in connection with the Parent's and its Subsidiaries' respective businesses.

(vi) To the Parent's knowledge, it will not be necessary to use any inventions of any of its employees or consultants (or Persons it currently intends to hire) made prior to their employment by or consulting relationship with the Parent.

(vii) Each current and former employee, contractor and consultant responsible for the development of any Intellectual Property for or on behalf of the Parent or any of its Subsidiaries, has presently assigned to the Parent or such Subsidiary all rights, title and interest in and to such Intellectual Property he, she or it (A) developed, made, invented or otherwise created for or on behalf of, or during the course of employment by or engagement with, the Parent or any of its Subsidiaries or (B) owns that are related to the Parent's or any of its Subsidiaries' business(es) as now conducted.

(viii) None of the Parent's or any of its Subsidiaries' products or services incorporate, links to or otherwise use any software licensed pursuant to a license identified as an open source license by the Open Source Initiative (opensource.org/licenses) or any similar licensing or distribution model in a manner that, pursuant to the terms of the applicable license, (A) requires (or purports to require) (1) the distribution of any source code for any of its products or services, (2) the granting of any right to decompile, reverse engineer or create derivative works of any of its products or services, or (3) the grant to any third party of any rights or immunities under any Parent Intellectual Property owned by the Parent or any of its Subsidiaries, (B) prohibits (or purports to prohibit) the Parent or any its Subsidiaries from charging for the distribution or use of any of its products or services, (C) creates any obligation for the Parent or any of its Subsidiaries with respect to any of its products or services, or (D) creates any other limitation, restriction or condition on the right of the Parent or any of its Subsidiaries with respect to its use, distribution or rendering of any of its products or services or any other Parent Intellectual Property owned by the Parent or any of its Subsidiaries.

(ix) No source code owned by the Parent or any of its Subsidiaries has been disclosed to any third party, except to employees and contractors engaged in the development or maintenance of such source code pursuant to written non-disclosure obligations with respect thereto, and neither the Parent nor any of its Subsidiaries is a party to any contract requiring the deposit of any such source code with an escrow agent or escrow service, requiring the sharing or disclosure of any such source code with any third party or granting to any third party a license, option or right with respect to any such source code.

(x) The Parent and each of its Subsidiaries uses commercially reasonable efforts to safeguard, protect the value of and maintain the confidentiality of all trade secrets, information, and proprietary rights or processes included in the Parent Intellectual Property owned by the Company or any of its Subsidiaries or, to the extent contractually obligated, any other Parent Intellectual Property, including all source code to any of the proprietary software of the Parent or any of its Subsidiaries.

(xi) To the Parent's knowledge, neither the proprietary software of the Parent or any of its Subsidiaries nor the software licensed to the Parent or any of its Subsidiaries contains any virus, worm, time or logic bomb, disabling device, Trojan horse or other malicious or surreptitious code designed to or is able to disrupt or damage any use of the software or related computer systems or to erase, destroy, or corrupt any files or data, or bypass any technical security measure.

(xii) The computer hardware, servers, networks, platforms, peripherals, data communication lines, and other information technology equipment and related systems, including any outsourced systems and processes, that are owned or used by the Parent or any of its Subsidiaries ("**IT Systems**") are sufficient in all material respects for the conduct of the business of the Parent and each of its Subsidiaries as currently conducted. Since January 1, 2018, there has been no failure, breakdown, performance reduction, or, to the knowledge of the Parent, unauthorized access, unauthorized use, intrusion, or breach of security, other adverse event affecting any IT Systems, that has caused or could reasonably be expected to cause any: (A) substantial disruption of or interruption in or to the use of such IT Systems or the conduct of the business of the Parent or any of its Subsidiaries; (B) material loss, destruction, damage, or harm of or to the Parent, any of its Subsidiaries or its respective operations, personnel, property, or other assets; or (C) material liability of any kind to the Parent or any of its Subsidiaries. The Parent and each of its Subsidiaries has taken commercially reasonable actions to protect the integrity and security of the IT Systems and the data and other information stored or processed thereon or transmitted thereby. The Parent and each of its Subsidiaries (x) has implemented and maintains commercially reasonable backup and data recovery, disaster recovery, and business continuity plans, procedures, and facilities; (y) acts in compliance therewith; and (z) tests such plans and procedures on a regular basis, and such plans and procedures have been proven effective in all material respects upon such testing.

3.2 Representations and Warranties of the Investor

Each Investor hereby, jointly and severally represents, warrants and acknowledges to the Parent and the Issuer as follows as of the date hereof and as of the Closing Date (except for representations and warranties that speak as of a specific date which shall be true and correct as of such specified date) and acknowledges that the Parent and the Issuer are relying on such representations, warranties and acknowledgements in connection with the entering into of this Agreement and the performance of their obligations hereunder:

(a) **Organization**. Each Investor is organized and validly existing under its jurisdiction of origination or formation, with all requisite power (corporate or other) and authority to own or to hold the Purchased Securities and to complete the transactions to be completed by it as contemplated in the Transaction Agreements.

(b) **Authorization**. Each Investor has the requisite power and authority to enter into each of the Transaction Agreements to which it is a party, to perform its obligations thereunder and to consummate the transactions contemplated thereunder. Each of the Transaction Agreements to which it is a party and the transactions contemplated thereunder (i) has been duly authorized, (ii) has been duly executed and delivered by it and (iii) is a valid and binding agreement of it, enforceable against it in accordance with its terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar Laws affecting creditors' rights generally and subject to the qualification that equitable remedies may be granted in the discretion of a court of competent jurisdiction. No other action on the part of the Investors is necessary to authorize the execution, delivery and performance by the Investors of the Transaction Agreements and the consummation by the Investors of the transactions contemplated thereunder.

(c) **No Violation**. The execution and delivery by it of each Transaction Agreement to which it is a party, and the performance of and compliance with its obligations thereunder, including the purchase of the Purchased Securities, does not and will not result in any violation of the (i) provisions of its organizational documents or (ii) the provisions of any Law or Order applicable to it, except, in the case of clause (ii), as would not, individually or in the aggregate, reasonably be expected to materially delay or hinder, or have a material adverse effect on, the ability of such Investors to consummate the transactions contemplated by the Transaction Agreements and to perform its obligations under the Transaction Agreements.

(d) **Consents and Approvals**. Other than the TSXV Approval and any early warning reporting and insider reporting required under Canadian Securities Laws, no consent, approval, authorization or filing of or with any Governmental Entity is required by it to purchase the Purchased Securities or to complete the transactions contemplated by the Transaction Agreements that are to be completed on the date hereof, other than filings under applicable Securities Laws that, if not obtained, made or given, would not, individually or in the aggregate, reasonably be expected to materially delay or hinder, or have a material adverse effect on, the ability of such Investors to consummate the transactions contemplated by the Transaction Agreements and to perform its obligations under the Transaction Agreements.

(e) **No Offering Document**. It has not received any offering document or disclosure document relating to the Purchased Securities, the Exchange Common Shares or the Parent and its Subsidiaries.

(f) **No Registration**. It acknowledges that, except as provided in the Investor Rights Agreement, the Purchased Securities and the Exchange Common Shares have not been and will not be registered under the U.S. Securities Act, or any applicable securities laws, and the Purchased Securities are, and the Exchange Common Shares will be "restricted securities" within the meaning of Rule 144 under the U.S. Securities Act, and may not be offered or sold unless registered under the U.S. Securities Act and the securities laws of any applicable state of the United States or in compliance with the requirements of an exemption from such registration requirements.

(g) **No Broker's Fees**. It is not party to any Contract with any Person that would give rise to any liability of the Parent or the Issuer to pay a brokerage commission, finder's fee, financial advisor fee or like payment, fee or commission, or the reimbursement of expenses in connection therewith, in connection with the issuance and sale of the Purchased Securities or the transactions contemplated by the Transaction Agreements.

(h) **Private Placement**. Each Investor is an "accredited investor" within the meaning of Regulation D under the U.S. Securities Act and is purchasing the Purchased Securities as principal, solely for its own account for investment purposes and not with a view to, or for offer or sale in connection with, any distribution or other disposition thereof. Each Investor further represents that:

(i) it is resident in the jurisdiction set out next to its name in Schedule I attached hereto;

(ii) it understands that the Purchased Securities and the Exchange Common Shares have not been qualified in Canada by the filing of a prospectus with any Securities Regulator, are being offered on a "private placement" basis (x) exempt from registration under the U.S. Securities Act, and, therefore, may not be transferred or sold except pursuant to the registration requirements of the U.S. Securities Act and any applicable state securities laws, or in compliance with the requirements of an exemption from such registration requirements, and (y) exempt from or not subject to prospectus requirements under Canadian Securities Laws;

(iii) it understands that no Securities Regulator has reviewed or passed on the merits of the Purchased Securities or the Exchange Common Shares;

(iv) it understands that there is no government or other insurance covering the Purchased Securities or the Exchange Common Shares;

(v) it understands that there are risks associated with the purchase of the Purchased Securities and the Exchange Common Shares;

(vi) it is not purchasing the Purchased Securities as a result of any "general solicitation or general advertising" (as those terms are used in Regulation D under the U.S. Securities Act), including any advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or on the internet or broadcast over radio, television or the internet, or any seminar or meeting whose attendees have been invited by general solicitation or general advertising; and

(vii) it understands that there are restrictions on its ability to resell the Purchased Securities and the Exchange Common Shares under applicable Laws, it is its own responsibility to find out what those restrictions are and to comply with them before selling the Purchased Securities or the Exchange Common Shares and, except as otherwise set out in the Transaction Agreements, neither the Parent nor the Issuer has agreed to take any action to facilitate such resale in accordance with applicable Laws.

(i) **Legended Stock**. It acknowledges that any certificates representing the Purchased Securities, the Exchange Common Shares and the Warrant Shares will bear such legend or legends as may, in the opinion of counsel to the Parent and the Issuer, be reasonably necessary in order to avoid a violation of any Securities Laws or to comply with the requirements of the TSXV, provided that if, at any time, in the opinion of counsel to the Parent and the Issuer, such legends are no longer necessary in order to avoid a violation of any such Laws, or the holder of any such legended certificate, at the holder's expense, provides the Parent and the Issuer with evidence reasonably satisfactory in form and substance to the Parent and the Issuer (which may include an opinion of counsel reasonably satisfactory to the Parent and the Issuer) to the effect that such holder is entitled to sell or otherwise transfer such Purchased Securities and Exchange Common Shares in a transaction in which such legends are not required, such legended certificate may thereafter be surrendered to the Parent and the Issuer in exchange for a certificate which does not bear such legend.

(j) **Sufficient Funds**. The Investors will, at Closing, have sufficient funds available to pay the Proceeds.

(k) **Investor Due Diligence**. It acknowledges and agrees that the Parent has afforded the Investors, their Affiliates and their respective agents, advisors and representatives an opportunity to review the Parent and the Subsidiaries and the businesses that they operate and certain documentation, Contracts, agreements, reports, third party deliveries, financials and other information related thereto prior to the date hereof and that the Investors have completed such review to their reasonable satisfaction.

(l) **Independent Advice**. Each Investor is a sophisticated investor and has the capacity to protect is own interests in connection with its investment hereunder. Each Investor acknowledges and agrees that it is solely responsible for obtaining such tax, investment, legal and other professional advice as it considers appropriate in connection with its investment hereunder (including in respect of its due diligence investigations), has not relied upon the Parent, the Issuer or any of their legal, financial, tax or other professional advisors in this regard, and has in all cases sought the advice of its own investment advisors, legal counsel and tax and other professional advisers. For certainty, the foregoing does not limit the representations and warranties of the Parent and the Issuer in Section 3.1 or the right of the Investors to rely thereon.

(m) **Collection of Information**. Each Investor acknowledges that: (i) the Parent and/or the Issuer may deliver to the Ontario Securities Commission certain "personal information" pertaining to it, including its full name, address, telephone number and email address, the number of securities subscribed by it hereunder and the total purchase price paid for such securities, the prospectus exemption relied on by the Parent and/or the Issuer and the date of distribution of the securities; (ii) such information is being collected indirectly by the Ontario Securities Commission under the authority granted to it in securities legislation; (iii) such information is being collected for the purposes of the administration and enforcement of the securities legislation of Ontario; and (iv) it may contact Administrative Assistant to the Director of Corporate Finance, Ontario Securities Commission, Suite 1903, Box 55, 20 Queen Street West, Toronto, Ontario, M5H 3S8, Telephone: (416) 593-8086 with respect to questions about the Ontario Securities Commission's indirect collection of such information. It acknowledges that its name and other specified information, including the number of securities subscribed for hereunder, may be disclosed to: (x) other Securities Regulators and may become available to the public in accordance with the requirements of applicable Laws; and (y) authorities pursuant to applicable money laundering Laws. It consents to the disclosure of all such information.

(n) **ERISA**. Each Investor acknowledges that either (1) it is not: an "employee benefit plan," as defined in Section 3(3) of ERISA or "plan" as defined in Section 4975 of the Code, regardless as to whether it is subject to ERISA, Section 4975 of the Code or any other law or regulation containing fiduciary provisions similar to those under Title I of ERISA or prohibited transaction provisions similar to those under Title I of ERISA or Section 4975 of the Code ("**Similar Law**"), or (2) (a) it is an employee benefit plan subject to ERISA, a plan subject to Section 4975 of the Code or a plan subject to Similar Law, and (b) the acquisition and holding of the Purchased Securities will not result in a non-exempt "prohibited transaction" under ERISA, Section 4975 of the Code or Similar Law.

3.3 Survival of Representations and Warranties

The representations and warranties of a party herein shall survive until the date that is 12 months from the Closing Date, if any, unless bona fide notice of a claim shall have been made in writing before such date, in which case the representation and warranty to which such notice applies shall survive in respect of that claim until the final determination or settlement of the claim; provided that the representations and warranties set out in Sections 3.1(a), 3.1(b), 3.1(c), 3.1(e), 3.1(f), 3.1(g), 3.1(m), 3.1(v), 3.1(x) and 3.1(aa) and Sections 3.2(a), 3.2(b), 3.2(g) and 3.2(h) (collectively, the "**Fundamental Representations**") shall continue in full force and effect for a period of six (6) years following the Closing Date. Notwithstanding the foregoing, a claim for any breach of any of the representations and warranties contained in this Agreement involving fraud, or intentional or fraudulent misrepresentation (collectively, "**Fraud**") may be made at any time following the date of this Agreement, subject only to applicable limitation periods imposed by applicable Law.

ARTICLE 4
INDEMNIFICATION

4.1 Indemnity of the Parent and the Issuer

The representations, warranties and covenants of the Parent and the Issuer contained in this Agreement are made jointly and severally by the Parent and the Issuer with the intent that they may be relied upon by the Investors in entering into this Agreement, determining whether to purchase the Purchased Securities and consummating the transactions contemplated hereby, and the Parent and the Issuer covenant and agree to indemnify and save harmless the Investors (and their respective Affiliates, equityholders, officers and directors) (collectively, the "**Investor Indemnitees**") from and against all Losses, including amounts paid to settle actions (provided that the Parent and the Issuer have previously consented to such settlement) or satisfy judgements or awards suffered by the Investor Indemnitees, in each case caused by or arising directly or indirectly by reason of any inaccuracy in or breach by the Parent or the Issuer of any representation, warranty or covenant made by it under this Agreement.

4.2 Indemnity of the Investor

The representations, warranties and covenants of the Investors contained in this Agreement are made with the intent that they may be relied upon by the Parent and the Issuer in entering into this Agreement, determining whether to issue the Purchased Securities and consummating the transactions contemplated hereby, and the Investors covenant and agree to indemnify and save harmless the Parent and the Issuer (and their Affiliates and their respective equityholders, officers and directors) (collectively, the "**Parent Indemnitees**") from and against all Losses, including amounts paid to settle actions (provided the Investors have previously consented to such settlement) or satisfy judgements or awards suffered by the Parent Indemnitees, in each case caused by or arising directly or indirectly by reason of any inaccuracy in or breach by any of the Investors of any representation, warranty or covenant made by it under this Agreement.

4.3 Limitation

No claim for indemnification pursuant to Section 4.1 shall be made against the Parent and/or Issuer for any breach of any of the representations and warranties made by the Parent and/or Issuer in this Agreement, and no claim for indemnification pursuant to Section 4.2 shall be made against the Investors for any breach of any of the representations and warranties made by the Investors in this Agreement, in each case, (a) other than with respect to any claim for a breach of a Fundamental Representation or with respect to any claim for Fraud, until the aggregate, cumulative amount of the claims asserted against the Parent and the Issuer, in the aggregate, on the one hand, or the Investors, on the other hand, shall be at least $500,000 (the "**Threshold**"), in which case, the indemnifying party pursuant to this Article 4 shall be responsible for the entire amount of the Losses, regardless of the Threshold, and (b) other than with respect to any claim for a breach of a Fundamental Representation or with respect to any claim for Fraud, the maximum aggregate, cumulative liability of the Parent and the Issuer, in the aggregate, one the one hand, or the Investors, on the other hand, under Section 4.1 or Section 4.2, shall be 100% of the amount of the Proceeds.

4.4 Exclusivity

Following the Closing, the provisions of this Article 4 shall apply to any claim described in Section
4.1 or Section 4.2, with the intent that, following the Closing, all such claims shall be subject to the limitations and other provisions contained in this Article 4. This provision is not intended to preclude any proceeding by any party against any other party (a) prior to the Closing or (b), for greater certainty, based on Fraud.

ARTICLE 5
CLOSING

5.1 Closing

The Closing for the purchase and sale of the Purchased Securities shall be conducted remotely via the electronic exchange of documents and signatures in accordance with Article 7 on the third (3rd) Business Day after satisfaction (or, to the extent permitted by applicable Law, waiver by the party entitled to the benefit thereof) of the conditions set forth in Section 5.6 and Section 5.7 (other than those conditions that by their terms are to be satisfied at the Closing, but subject to the satisfaction or waiver of those conditions), or at such other place, time and date as shall be agreed between the Parent and the Investors, but shall in no event occur earlier than the date that is five (5) Business Days after the date of execution of this Agreement unless otherwise agreed by the parties hereto (the "**Closing Date**").

5.2 Termination

Prior to the Closing, this Agreement may only be terminated:

(a) by mutual written agreement of the Parent, the Issuer and the Investors;

(b) by the Parent and the Issuer, on the one hand, or the Investors, on the other, upon written notice to the other parties if the Closing has not occurred by the date that is thirty (30) calendar days after the date of this Agreement (the "**Outside Date**"); provided, however, that the right to terminate this Agreement pursuant to this Section 5.2(b) shall not be available to any party whose failure to fulfill any obligation under this Agreement shall have been the principal cause of, or shall have primarily resulted in, the failure of the Closing to occur on or prior to such date;

(c) by the Parent and the Issuer, on the one hand, or the Investors on the other, upon written notice to the other parties, if any Governmental Entity issues an Order or has taken any Action permanently enjoining, restraining or otherwise prohibiting the transactions contemplated by any Transaction Agreement, which such Order or Action shall have become final and non-appealable;

(d) by written notice given by the Parent and the Issuer to the Investors, if there have been one or more inaccuracies in or breaches of one or more representations, warranties, covenants or agreements made by the Investors in this Agreement such that the conditions in Section 5.7(d) would not be satisfied and which are not curable or, if curable, have not been cured by the Investors by the earlier of (i) ten (10) days after receipt by the Investors of written notice from the Parent and the Issuer requesting such inaccuracies or breaches to be cured and (ii) the Outside Date; provided, however, that neither the Parent nor the Issuer is then in breach of this Agreement so as to prevent the conditions to Closing set forth in Sections 5.6(c) or 5.6(d) from being satisfied; or

(e) by written notice given by the Investors to the Parent and the Issuer, if there have been one or more inaccuracies in or breaches of one or more representations, warranties, covenants or agreements made by the Parent or the Issuer in this Agreement such that the conditions in Sections 5.6(c) or 5.6(d) would not be satisfied and which are not curable or, if curable, have not been cured by the Parent or the Issuer, as applicable by the earlier of (i) ten (10) days after receipt by the Parent and the Issuer of written notice from the Investors requesting such inaccuracies or breaches to be cured and (ii) the Outside Date; provided, however, that the Investors are not then in breach of this Agreement so as to prevent the conditions to Closing set forth in Section 5.7(d) from being satisfied.

5.3 Effects of Termination

In the event of any termination of this Agreement in accordance with Section 5.2, this Agreement shall become void and have no effect other than as set forth herein, and the transactions contemplated hereby shall be abandoned without further action by the parties hereto, in each case, except that (i) the provisions of, Sections 1.1 to 1.6, this Section 5.3 and Sections 8.1 to 8.9 shall survive the termination of this Agreement and (ii) no such termination shall relieve any party from liability for damages to another party resulting from any willful and material breach of this Agreement or any breach of any of the representations and warranties contained in this Agreement involving Fraud. For purposes of this Section 5.3, "**willful and material breach**" means a material breach of this Agreement as a result of an act undertaken by the breaching party with the knowledge that the taking of such act would, or would be reasonably expected to, cause a material breach of this Agreement.

5.4 Closing Deliveries of the Parent and the Issuer

The Parent and the Issuer, as applicable, shall deliver or cause to be delivered to the Investors at the Closing, the following:

(a) evidence satisfactory to the Investors of the TSXV Approval;

(b) a certificate from a duly authorized officer of the Parent certifying: (i) accuracy as of the Closing of the articles of the Parent; (ii) accuracy as of the Closing of the incumbency of the officers of the Parent executing any documents to be delivered pursuant to this Section 5.4; and (iii) the accuracy as of the Closing of resolutions of the board of directors of the Parent approving the issuance and reservation of the Purchased Securities and Exchange Common Shares and the execution, delivery and performance of the Parent's obligations under each of the Transaction Agreements to which it is a party and the consummation of the transactions contemplated hereunder and thereunder, which resolutions shall be in full force and effect, and have not been modified, amended or rescinded;

(c) a certificate from a duly authorized officer of the Issuer certifying: (i) accuracy as of the Closing of the certificate of formation of the Issuer; (ii) accuracy as of the Closing of the incumbency of the officers of the Issuer executing any documents to be delivered pursuant to this Section 5.4; and (iii) the accuracy as of the Closing of resolutions of the board of directors of the Issuer approving the issuance of the Purchased Securities, the execution, delivery and performance of the Issuer's obligations under each of the Transaction Agreements to which it is a party and the consummation of the transactions contemplated hereunder and thereunder, which resolutions shall be in full force and effect, and have not been modified, amended or rescinded;

(d) a share register, in form and substance satisfactory to the Investors, duly executed by the Issuer representing the Purchased Preferred Units registered in the name of the Investors;

(e) a warrant register, in form and substance satisfactory to the Investors, duly executed by the Parent representing the Warrants registered in the name of the Investors;

(f) a legal opinion addressed to the Investors, in form and substance satisfactory to the Investors and their counsel, acting reasonably, from Canadian counsel to the Parent and the Issuer;

(g) a legal opinion addressed to the Investors, in form and substance satisfactory to the Investors and their counsel, acting reasonably, from United States counsel to the Parent and the Issuer;

(h) certificates from the applicable Governmental Entity, dated as of a recent date, evidencing the good standing of each of the Parent and the Issuer in its jurisdiction of incorporation or formation, respectively;

(i) a copy of the relevant extract from the reporting issuer list in each Reporting Jurisdiction with respect to the Parent; and

(j) a counterpart to the following agreements, duly executed and delivered by the Parent and the Issuer, as applicable:

(i) Investor Rights Agreement;

(ii) Exchange Agreement;

(iii) Guarantee Agreement;

(iv) the Warrant Certificates;

(v) Registration Rights Agreement;

(vi) the Management Rights Letter

(vii) the Indemnification Agreement; and

(viii) LLC Agreement.

5.5 Closing Deliveries of the Investors

The Investors shall deliver, or cause to be delivered to the Parent or the Issuer, as applicable, at the Closing, the following:

(a) payment of the Proceeds in accordance with Section 2.2; and

(b) a counterpart to the following agreements, duly executed and delivered by the Investor:

(i) Investor Rights Agreement;

(ii) Exchange Agreement;

(iii) Guarantee Agreement;

(iv) the Warrant Certificates;

(v) Registration Rights Agreement;

(vi) LLC Agreement;

(vii) the Management Rights Letter; and

(c) an IRS Form W-9.

5.6 Conditions to the Investors' Obligations to Purchase the Purchased Securities

The obligation of the Investors hereunder to purchase the Purchased Securities is subject to the satisfaction, at or before the Closing Date, of each of the following conditions, provided that these conditions are for such Investors' sole benefit and may be waived by such Investors at any time in its sole discretion by providing the Parent and the Issuer with prior written notice thereof:

(a) the Parent and the Issuer shall have completed the deliveries set forth in Section 5.4;

(b) no temporary or permanent Order shall have been enacted, promulgated, issued, entered, amended or enforced by any Governmental Entity nor shall any proceeding brought by a Governmental Entity seeking any of the foregoing be pending, or any applicable Law shall be in effect, in each case which has the effect of restraining, enjoining or otherwise prohibiting the consummation of the transactions contemplated hereby (collectively, "**Restraints**");

(c) the (i) representations and warranties of the Parent and the Issuer set forth in Sections 3.1(a), 3.1(b), 3.1(d), 3.1(f), 3.1(g), 3.1(h), 3.1(i), and 3.1(m) shall be true and correct in all material respects (without giving effect to any qualification as to materiality or Material Adverse Effect set forth therein) as of the date of this Agreement and as of the Closing as though made at that time (except for representations and warranties that speak as of a specific date which shall be true and correct as of such specified date); (ii) the representation and warranty of the Parent and the Issuer set forth in the first sentence of Section 3.1(r) shall be true and correct in all respects as of the date of this Agreement and as of the Closing as though made at such time, (iii) the representations and warranties of the Parent and the Issuer set forth in Sections 3.1(c) and 3.1(e) shall be true and correct in all respects as of the date of this Agreement and as of the Closing as though made at that time, except for *de minimis* inaccuracies therein; (iv) the other representations and warranties of the Parent and the Issuer set forth in Section 3.1 shall be true and correct (without giving effect to any qualification as to materiality or Material Adverse Effect) as of the date of this Agreement and as of the Closing as though made at that time (except for representations and warranties which speak as of a specific date which shall be true and correct as of such date), except where any failures of any such representations and warranties to be true and correct would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, and (v) the Parent and the Issuer shall have performed, satisfied and complied in all material respects with the covenants, agreements and conditions required by the Transaction Agreements to be performed, satisfied or complied with by the Parent and the Issuer at or prior to the Closing Date. The Investors shall have received a customary certificate, executed by the Chief Executive Officer or the Chief Financial Officer of the Parent and a customary certificate, executed by the sole Manager of the Issuer, both dated as of the Closing Date, to the foregoing effect and confirming the satisfaction of the condition set forth in Section 5.6(d), and as to such other matters as may be reasonably requested by the Investors;

(d) no Material Adverse Effect shall have occurred since the date of this Agreement;

(e) the Parent and the Issuer shall have received the TSXV Approval, which shall be in full force and effect;

(f) the Parent shall have taken all actions necessary and appropriate to cause to be elected or appointed to the board of directors of the Parent, effective immediately following the Closing, the Investor Director Designee; and

(g) the Parent and the Issuer shall have delivered to the Investors such other documents relating to the transactions contemplated by this Agreement as the Investors or their counsel may reasonably request.

5.7 Conditions to the Parent and the Issuer's Obligations to Sell the Purchased Securities

The obligation of the Parent and the Issuer hereunder to sell the Purchased Securities is subject to the satisfaction, at or before the Closing Date, of each of the following conditions, provided that these conditions are for Parent and the Issuer's sole benefit and may be waived by the Parent and the Issuer at any time in their sole discretion by providing the Investors with prior written notice thereof:

(a) the Investors shall have completed the deliveries set forth in Section 5.5;

(b) the Parent and the Issuer shall have received the TSXV Approval, which shall be in full force and effect;

(c) no Restraints shall then be in effect; and

(d) (i) the representations and warranties of the Investors set forth in Section 3.2 shall be true and correct in all material respects (except for any representations or warranties already qualified by materiality or material adverse effect, in which case such representations and warranties shall be true and correct in all respects) as of the date of this Agreement and as of the Closing as though made at that time (except for representations and warranties that speak as of a specific date which shall be true and correct as of such specified date), except for any inaccuracies that would not reasonably be expected to materially delay or hinder, or have a material adverse effect on, the ability of the Investors to consummate the transactions contemplated by the Transaction Agreements and to perform its obligations under the Transaction Agreement, and (ii) the Investors shall have performed, satisfied and complied in all material respects with the covenants, agreements and conditions required by the Transaction Agreements to be performed, satisfied or complied with by the Investors at or prior to the Closing Date. The Parent and the Issuer shall have received a customary certificate, executed by an executive of the Investors or one of their respective Affiliates that controls the Investors and dated as of the Closing Date, to the foregoing effect.

ARTICLE 6
ADDITIONAL AGREEMENTS

6.1 Negative Covenants

Except as required by applicable Law or Order or as expressly contemplated, required or permitted by this Agreement during the period from the date of this Agreement until the Closing Date (or such earlier date on which this Agreement may be terminated pursuant to Section 5.2), without the prior written consent of the Investors, the Parent shall not, and shall cause its Subsidiaries not to, take or omit to take any action that, if taken or not taken after the date hereof would violate the LLC Agreement or the Investor Rights Agreement assuming each such Transaction Agreement were in effect and the Purchased Securities were issued to and held by the Investors as of the date hereof.

6.2 Certain Adjustments

Without the prior written consent of the Investors, during the period between the date of this Agreement until the Closing Date (or such earlier date on which this Agreement is terminated pursuant to Section 5.2), the Parent and the Issuer shall not take any actions which would have resulted in an adjustment to the Exchange Ratio (as defined in the LLC Agreement) pursuant to the LLC Agreement or the Exchange Agreement if the Purchased Preferred Units had been issued and outstanding since the date of this Agreement and the LLC Agreement and the Exchange Agreement had been in effect since the date of this Agreement.

6.3 TSXV and Other Regulatory Approvals

Subject to the terms and conditions hereof, each of the parties shall perform all obligations required to be performed by it under this Agreement, reasonably co-operate with the other parties in connection therewith, and do all such other commercially reasonable acts and things as may be necessary or desirable in order to consummate and make effective, as soon as reasonably practicable, the transactions contemplated in this Agreement, including using commercially reasonable efforts to (a) effect all necessary registrations, filings and submissions of information in connection with obtaining the TSXV Approval (final), provided that nothing in this Agreement shall require the Parent to obtain any shareholder approvals, (b) obtain all approvals, consents, registrations, waivers, permits, authorizations, and orders from any Governmental Entity reasonably necessary, proper or advisable to consummate the transactions contemplated by this Agreement and (c) execute and deliver any additional instruments reasonably necessary to consummate the transactions contemplated by this Agreement. Each party hereto shall (i) give the other parties prompt notice of the making or commencement of any request, inquiry or Action by or before any Governmental Entity with respect to the transactions contemplated hereby, (ii) keep the other parties informed as to the status of any such request, inquiry or Action and (iii) promptly inform the other parties of (and provide copies of) any communications to or from any Governmental Entity and keep the other parties reasonably informed regarding any substantive communications to or from a third party, in each case regarding the transactions contemplated by this Agreement. Each party hereto will have the right to review in advance, and each party will consult and cooperate with the other parties and will consider in good faith the views of the other parties in connection with any filing, analysis, appearance, presentation, memorandum, brief, argument, opinion or proposal made or submitted to any Governmental Entity in connection with the transactions contemplated by the Transaction Agreements. In addition, except as may be prohibited by any Governmental Entity or by any Law, in connection with any such request, inquiry or Action, each party hereto will permit authorized representatives of the other parties to be present at each meeting or conference relating to such request, inquiry or Action and have access to and be consulted in connection with any material document, opinion or proposal made or submitted in writing to any Governmental Entity in connection with such request, inquiry or Action.

6.4 TSXV Approval; Filings

In furtherance but not in limitation of Section 6.3:

(a) Prior to the Closing, the Parent shall use commercially reasonable efforts to obtain the TSXV Approval, including the listing of the Exchange Common Shares.

(b) The Parent shall file with the applicable Canadian Securities Commissions all forms that are required to be filed by the Parent pursuant to Canadian Securities Laws, following the Closing Date with respect to the distribution of the Purchased Securities and the Exchange Common Shares, in the time and the form prescribed by the applicable Canadian Securities Laws.

6.5 Certain Notices

During the period from the date of this Agreement until the Closing Date (or such earlier date on which this Agreement may be terminated pursuant to Section 5.2), the Parent and the Issuer shall give prompt notice to the Investors if any of the following occur: (a) receipt of any bona fide notice or other communication in writing from any Person alleging that the consent or approval of, filings with, license from, or authorization of, registration with, or notices to, such Person is or may be required in connection with the transactions contemplated by this Agreement; (b) receipt by the Parent, any of its Subsidiaries or any of their respective representatives of any material notice or other material communication from any Governmental Entity related to the transactions contemplated by the Transaction Agreements; (c) it becomes aware of any change, development, state of facts, effect, event, occurrence, or circumstance that would, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect; or (d) it becomes aware of any change, development, state of facts, effect, event, occurrence, or circumstance that would reasonably be expected to prevent or delay beyond the Outside Date the consummation of the transactions contemplated by this Agreement or that would reasonably be expected to result in, or has resulted in, any of the conditions to the Closing set forth in Section 5.7 not being satisfied. Any notice pursuant to this Section 6.5 shall not affect, modify or otherwise limit any other covenant, agreement representation or warranty contained in this Agreement.

6.6 Transaction Litigation

Subject to the last sentence of this Section 6.6, the Parent shall promptly notify the Investors of any shareholder demands or other shareholder claims, suits, demands, actions, proceedings, litigation or other similar proceedings (including derivative claims) commenced against it, its Subsidiaries and/or its or its Subsidiaries' respective directors or officers relating to this Agreement, any other Transaction Agreement or the transactions or any matters relating hereto or thereto (collectively, "**Transaction Litigation**") and shall keep the Investors informed regarding any Transaction Litigation. Each of the Parent, the Issuer and each Investor (at the sole cost and expense of the Parent and the Issuer) shall reasonably cooperate with the other in the defense or settlement of any Transaction Litigation, and the Parent and the Issuer shall give the Investors the opportunity to consult with them regarding the defense and settlement of such Transaction Litigation, shall consider in good faith the Investors' advice with respect to such Transaction Litigation and shall give the Investors the opportunity to participate in the defense and settlement of such Transaction Litigation. Prior to the Closing, none of the Parent, the Issuer or any of their Subsidiaries shall settle or offer to settle any Transaction Litigation without the prior written consent of the Investors (not to be unreasonably withheld or delayed).

6.7 PPP Loan.

The Parent shall deliver to the Investors at Closing, or as soon as practicable thereafter but in any event within five (5) Business Days of Closing, evidence satisfactory to the Investors with respect to the repayment and termination of any indebtedness outstanding under the PPP Loan issued pursuant to that certain Promissory Note, dated as of May 5 2020, by and between Real Broker, LLC and JPMorgan Chase Bank, N.A.

6.8 Tax Treatment.

For all U.S. federal, state and local tax purposes, the Investor shall be treated as owners of an interest in the Parent, and shall not be treated as owners of securities in the Issuer, or as an economic member of such Issuer.

ARTICLE 7
CLOSING ARRANGEMENTS

7.1 Closing Arrangements

Subject to all conditions set forth in Section 5.6 (other than Section 5.6(a)) and Section 5.7 (other than Section 5.7(a)) having been satisfied or waived at or before the Closing, the parties hereby agree that the process of the Closing shall be as follows:

(a) the Closing shall commence on the Closing Time on the Closing Date and shall be irrevocable thereafter until the completion of the closing deliverables in Section 5.6(a) and Section 5.7(a) in accordance with Section 7.1(b); and

(b) the following shall occur contemporaneously on the Closing Date:

(i) the LLC Agreement shall be entered into evidencing the creation of the Preferred Units;

(ii) each party shall make the deliveries required of it under Section 5.4 and Section 5.5, as applicable; and

(iii) the Investors shall make payment of the Proceeds to the Issuer pursuant to Section 5.5(a).

ARTICLE 8
MISCELLANEOUS

8.1 Public Disclosure and Filings

The initial press release regarding this Agreement shall be a joint press release mutually acceptable to the Parent and Investors. None of the Parent, the Issuer or the Investors shall make any other public announcement with respect to the existence or terms of this Agreement or the transactions provided for herein without the prior written approval of the other parties, which shall not be unreasonably withheld or delayed. Notwithstanding the foregoing, each party hereby acknowledges and agrees that the other parties may publicly disclose the terms of the Transaction Agreements and file the Transaction Agreements (i) as required by applicable Laws or Orders as reasonably determined by counsel and (ii) to the extent, in the good faith judgment of such party's counsel, accountants or advisors, as applicable, that such disclosure is required to be disclosed (including in any registration statement, other disclosure document, press release or public announcement) in connection with such party's (or any of its Affiliates') quarterly earnings results, earnings guidance or capital raising; provided, that to the extent reasonably practical and permitted by applicable Laws and Orders, the disclosing party shall use commercially reasonable efforts to permit the other parties to review and consider, acting reasonably and in good faith, any comments by the other party on all such public announcements prior to the release or filing thereof; provided, further, that the disclosing party will consider, acting reasonably and in good faith, any reasonable request by the other party for redactions or modifications to, or confidential treatment of, such materials to the extent permitted under applicable Laws or Orders. The Parent and the Issuer hereby acknowledge and agree that the Investors may make such filings as required by applicable Securities Laws with respect to their ownership of the Purchased Securities as reasonably determined by counsel. Notwithstanding the foregoing, this Section 8.1 shall not apply to (a) any press release or other public statement made by the Parent, the Issuer or the Investors which substantially reiterates and is not inconsistent with prior disclosure and does not contain any information relating to the transactions contemplated hereby that has not been previously announced or made public in accordance with the terms of this Agreement, (b) any disclosure made to its auditors, attorneys, accountants, financial advisors, current or prospective limited partners or Affiliates or, in the case of the Investors, any of its Representatives (as defined in and pursuant to the Investor Rights Agreement) or (c) to the extent any Investor is a private equity, venture capital or other investment fund or similarly regulated entity, (i) any disclosure in connection with routine supervisory audit or regulatory examinations (including by regulatory or self-regulatory bodies) to which they are subject in the course of their respective businesses or (ii) disclosures to prospective and existing investors in connection with fund raising, marketing, informational, transactional or reporting activities. Each of the Parent and the Issuer acknowledges and agrees that the Investors may currently be invested in, may invest in, or may consider investments in companies that compete either directly or indirectly with the Parent and its Subsidiaries, or operate in the same or similar business as Parent and its Subsidiaries, and that nothing herein shall be in any way construed to prohibit or such Investor or its respective Affiliates' ability to maintain, make or consider such other investments; provided, however, that no information regarding the Transaction is used or disclosed in connection with such activities.

8.2 Notices

(a) Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be delivered in person, transmitted by e-mail or similar means of recorded electronic communication or sent by registered mail, charges prepaid, addressed as follows:

(i) in the case of the Investors:

c/o Insight Partners
1114 Avenue of the Americas, Floor 36 New York, NY 10036

Attention: Andrew Prodromos, Deputy General Counsel and Chief Compliance Officer
E-mail: [*redacted*]

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

Willkie Farr & Gallagher LLP
787 Seventh Avenue
New York, NY 10019

Attention: Robert A. Rizzo
Email: [*redacted*]

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

Stikeman Elliott LLP

5300 Commerce Court West
199 Bay Street
Toronto, Ontario M5L 1B9

Attention: Jonah Mann
E-mail: [*redacted*]

(ii) in the case of the Parent:

The Real Brokerage Inc.
133 Richmond Street West,
Suite 302,
Toronto, ON M5H 2L3

Attention: Tamir Poleg
Email: [*redacted*]

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

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

Attention: Jason A. Saltzman
Email: [*redacted*]

(iii) in the case of the Issuer:

c/o The Real Brokerage Inc.
133 Richmond Street West, Suite 302,
Toronto, ON M5H 2L3
Attention: Tamir Poleg and Michelle ressler
Email: [*redacted*] and [*redacted*]

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

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

Attention: Jason A. Saltzman
Email: [*redacted*]

(b) Any such notice or other communication shall be deemed to have been given and received on the day on which it was delivered or transmitted by email or personally by hand (or, if such day is not a Business Day or if delivery or transmission is made on a Business Day after 5:00 p.m. (Toronto time) at the place of receipt, then on the next following Business Day) or, if mailed by internationally recognized overnight courier, on the Business Day following the date of mailing; provided, however, that if at the time of mailing or within two Business Days thereafter there is or occurs a labour dispute or other event which might reasonably be expected to disrupt the delivery of documents by mail, any notice or other communication hereunder shall be delivered or transmitted by means of recorded electronic communication as aforesaid.

(c) Any party may at any time change its address for service from time to time by giving notice to the other parties in accordance with this Section 8.2.

8.3 Amendments and Waivers

No amendment or waiver of any provision of this Agreement shall be binding on any party unless consented to in writing by such party. No waiver of any provision of this Agreement shall constitute a waiver of any other provision, nor shall any waiver of any provision of this Agreement constitute a continuing waiver unless otherwise expressly provided.

8.4 Assignment

No party may assign any of its rights or benefits under this Agreement, or delegate any of its duties or obligations, except with the prior written consent of the other parties; provided, however, that, without the prior written consent of any other party, (a) the Investors may assign their rights, interests and obligations under this Agreement, in whole or in part to an Affiliate, and (b) in the event of such assignment, the assignee shall agree in writing to be bound by the provisions of this Agreement, including the rights, interests and obligations so assigned and shall give equivalent representations and warranties in Section 3.2 with respect to itself; provided that no such assignment would reasonably be expected to delay the Closing past the Outside Date; and provided further that no such assignment will relieve the Investors of their obligations hereunder.

8.5 Successors and Assigns

This Agreement shall enure to the benefit of and shall be binding on and enforceable by and against the parties and their respective successors or heirs, executors, administrators and other legal personal representatives, and permitted assigns.

8.6 Further Assurances

Subject to the terms and conditions hereof, each of the parties hereto shall, from time to time hereafter and upon any reasonable request of the other, promptly do, execute, deliver or cause to be done, executed and delivered all further acts, documents and things as may be required or necessary for the purposes of giving effect to this Agreement and the transactions contemplated thereby.

8.7 Counterparts

This Agreement and all documents contemplated by or delivered under or in connection with this Agreement may be executed and delivered in any number of counterparts (including by email or scanned pages), with the same effect as if all parties had signed and delivered the same document, and all counterparts shall be construed together to be an original and will constitute one and the same agreement. Electronic signatures (including by DocuSign) and electronic pdf signatures (including by email or scanned pages) shall be acceptable as a means of executing such documents.

8.8 Expenses

Whether or not the transactions contemplated hereby shall be completed, all costs and expenses (including applicable goods and services tax) incurred by the Parent and the Issuer in connection with or incidental to the transactions contemplated hereby, including those relating to the distribution of the Purchased Securities, shall be borne by the Parent and the Issuer, including the fees and expenses of the Parent and the Issuer's counsel, the fees and expenses of the Parent and the Issuer's auditors and other outside consultants of the Parent and the Issuer and all stock exchange listing fees. At the Closing, the Parent and the Issuer shall pay the Investors for reasonable, documented out-of-pocket fees and expenses (including fees and disbursements of attorneys, accountants and other advisors) incurred by the Investors in connection with the evaluation, investigation and negotiation of the Transaction Agreements, the consummation of this Agreement and the transactions contemplated hereby, any other definitive transaction documents related thereto and the consummation of the transactions contemplated thereby and the Investors' due diligence investigation of the Parent and the Issuer in an amount not to exceed $50,000, which may be effected at the closing by the withholding of such amount by the Investors from the payment of the Proceeds otherwise payable by the Investors at the Closing (notwithstanding the withholding of such amount, the Investors will be deemed to have paid the Parent and the Issuer the full amount so withheld).

8.9 No Third Party Beneficiaries

Nothing contained in this Agreement, expressed or implied, is intended to confer upon any Person other than the parties hereto (and their permitted assigns), any benefit, right or remedies, other than any Related Party of the Investors, the Parent or the Issuer for the purpose of enforcing Section 8.11.

8.10 Specific Enforcement

The parties hereto agree that irreparable damage for which monetary relief, even if available, would not be an adequate remedy, would occur in the event that any provision of this Agreement is not performed in accordance with its specific terms or is otherwise breached, including if the parties hereto fail to take any action required of them hereunder to cause the Closing to occur. The parties acknowledge and agree that (a) the parties shall be entitled to seek an injunction or injunctions, specific performance or other equitable relief to prevent breaches or threatened breaches of this Agreement and to enforce specifically the terms and provisions hereof in the courts described in Section 1.5 without proof of damages or otherwise (in each case, subject to the terms and conditions of this Section 8.10), this being in addition to any other remedy to which they are entitled under this Agreement and (b) the right of specific enforcement is an integral part of the this Agreement and the transactions consummated thereby and without that right, neither the Parent, the Issuer nor the Investors would have entered into this Agreement. The parties hereto agree not to assert that a remedy of specific enforcement is unenforceable, invalid, contrary to applicable Law or inequitable for any reason, and agree not to assert that a remedy of monetary damages would provide an adequate remedy or that the parties otherwise have an adequate remedy at Law. The parties hereto acknowledge and agree that any party seeking an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement in accordance with this Section 8.10 shall not be required to provide any bond or other security in connection with any such order or injunction.

8.11 Non-Recourse

Notwithstanding anything to the contrary in this Agreement, (a) this Agreement may only be enforced against, and any Action for breach of this Agreement may only be made against, the Persons that are expressly identified herein and/or are parties hereto, (b) none of (i) the former, current and future Related Parties of the Investors or (ii) the former, current and future Related Parties of the Parent or the Issuer, shall have any liability for any liabilities or obligations of the parties hereto for any Action (whether in tort, Contract or otherwise) for breach of this Agreement or in respect of any representations made or alleged to be made in connection herewith, (c) the Investors, the Parent, the Issuer or their respective Affiliates shall have no rights of recovery in respect hereof against any Related Party of the Investors, the Parent or the Issuer and (d) no personal liability shall attach to any Related Party of the Investors, the Parent or the Issuer, whether by or through attempted piercing of the corporate veil, by or through an Action (whether in tort, Contract or otherwise), by the enforcement of any judgment, or obligations fine or penalty or by virtue of any statute, regulation or other applicable Law, or otherwise; provided that, for the avoidance of doubt, nothing in this Section 8.11 shall restrict or limit the rights of a Person under any other Transaction Agreement to which such Person is a party.

[Remainder of page left intentionally blank]

IN WITNESS WHEREOF this Agreement has been executed by the parties on the date first written above.

PARENT:

THE REAL BROKERAGE INC.

signed "Tamir Poleg"
By:_____
Name: Tamir Poleg
Title: Chief Executive Officer

ISSUER:

REAL PIPE, LLC

By: signed "Michelle Ressler"
Name: Michelle Ressler
Title: Manager

INVESTORS:

INSIGHT PARTNERS XI, L.P.

By: Insight Associates XI, L.P., its general partner
By: Insight Associates XI, Ltd., its general partner

By: signed "Andrew Prodromos"
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS (CAYMAN) XI, L.P.

By: Insight Associates XI, L.P., its general partner
By: Insight Associates XI, Ltd., its general partner

By: *signed "Andrew Prodromos"*
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS XI (CO-INVESTORS), L.P.

By: Insight Associates XI, L.P., its general partner
By: Insight Associates XI, Ltd., its general partner

By: signed "Andrew Prodromos"
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS XI (CO-INVESTORS) (B), L.P.

By: Insight Associates XI, L.P., its general partner
By: Insight Associates XI, Ltd., its general partner

By: signed "Andrew Prodromos"
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS (DELAWARE) XI, L.P.

By: Insight Associates XI, L.P., its general partner
By: Insight Associates XI, Ltd., its general partner

By: signed "Andrew Prodromos"
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS (EU) XI, S.C.Sp.

By: Insight Associates (EU) XI, S.a.r.l., its general partner

By: signed "Andrew Prodromos"
Name: Andrew Prodromos
Title: Authorized Officer

EXHIBIT A

EXCHANGE AGREEMENT

Execution Version

EXCHANGE AND SUPPORT AGREEMENT

THE REAL BROKERAGE INC.

AND

REAL PIPE, LLC

AND

THE PERSONS IDENTIFIED AS "INVESTORS" ON THE SIGNATURE PAGES HERETO

AND

ANY PERSON THAT BECOMES A HOLDER OF PREFERRED UNITS

December 2, 2020

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EXCHANGE AND SUPPORT AGREEMENT

THIS AGREEMENT made the 2nd day of December, 2020,

AMONG:

THE REAL BROKERAGE INC., a corporation existing under the laws of British Columbia,

(hereinafter referred to as the "**Parent**")

- and -

REAL PIPE, LLC, a limited liability company existing under the laws of Delaware,

(hereinafter referred to as the **"Issuer**"),

- and -

The Persons identified as "Investors" on signature pages hereto,

(collectively, the "**Investors**", and each individually an "**Investor**"),

- and -

Any other Holder of Preferred Units, from time to time.

WHEREAS, as of the date hereof, the Investors are the beneficial holders of an aggregate of 17,286,842 Preferred Units (as defined herein);

AND WHEREAS the Parent and the Issuer have agreed to enter into this Agreement so as to recognize and/or provide for, *inter alia*, (a) the right of a Holder (as defined herein) to acquire Exchange Common Shares (as defined herein) in exchange for Preferred Units held by a Holder and (b) the reciprocal right of the Parent to acquire Preferred Units held by a Holder in exchange for Exchange Common Shares, all in accordance with the terms and conditions set out herein;

NOW THEREFORE THIS AGREEMENT WITNESSES THAT in consideration of the respective covenants and agreements of the parties herein contained and for other good and valuable consideration (the receipt and sufficiency of which are acknowledged by each party), the parties agree as follows:

ARTICLE I
INTERPRETATION

1.1 Defined Terms

For the purposes of this Agreement, unless the context otherwise requires, the following terms shall have the respective meanings set out below and grammatical variations of such terms shall have corresponding meanings.

"**Business Day**" means any day, other than: (a) a Saturday, Sunday or statutory holiday in the Provinces of Ontario or British Columbia or the State of New York; or (b) a day on which banks are generally closed in the Provinces of Ontario or British Columbia or the State of New York;

"**Capital Reorganization**" has the meaning given to that term in the LLC Agreement;

"**Common Shares**" means the common shares in the capital of the Parent;

"**Exchange Common Shares**" has the meaning given to that term in the LLC Agreement;

"**Exempt Purchaser**" means a Holder that: (i) is resident in Canada at the time of the exchange; or (ii) is resident in a jurisdiction outside of Canada, is not exercising the exchange in the United States or by or on behalf of a U.S. Person and will acquire Exchange Common Shares pursuant to an exemption from any prospectus or securities registration or similar requirements under the applicable securities laws of such jurisdiction or any other securities laws to which such Holder is otherwise subject and such exchange would not result in any obligation of the Parent or the Issuer to prepare and file a prospectus, an offering memorandum or similar document or any obligation of the Parent or the Issuer to make any filings with or seek any approvals of any kind from any regulatory body in such jurisdiction or any other ongoing reporting requirements with respect to such exchange or otherwise; or (iii) if in the United States or a U.S. Person on whose behalf such exchange is being made, is an "accredited investor" within the meaning of Rule 501(a) of Regulation D under the Securities Act or is otherwise permitted to acquire Exchange Common Shares pursuant to an available exemption from registration under the Securities Act and applicable state securities laws at the time of such exchange;

"**Exchange Rate**" has the meaning given to that term in the LLC Agreement;

"**Forced Exchange Date**" has the meaning given to that term in the LLC Agreement;

"**Forced Exchange Event**" has the meaning given to that term in the LLC Agreement;

"**Forced Exchange Notice**" has the meaning given to that term in the LLC Agreement;

"**Forced Exchange Right**" has the meaning given to that term in Section 2.2;

"**Governmental Entity**" means any domestic or foreign federal, provincial, regional, state, municipal, local or other government, governmental department, agency, arbitrator, authority or body (whether administrative, legislative, executive or otherwise), court, tribunal, commission or commissioner, bureau, minister or ministry, board or agency, or other regulatory or self-regulatory authority, including any securities regulatory authorities and stock exchange including the TSXV and any other Stock Exchange;

"**Guarantee Agreement**" means the subordinated guarantee agreement to be entered into between the Investors and the Parent on the date hereof;

"**Guaranteed Obligations**" has the meaning given to that term in the Guarantee Agreement;

"**Holder**" means a holder of Preferred Units from time to time and, on the date hereof, includes the Investors;

"**Investor(s)**" has the meaning given to that term in the recitals hereto;

"**Investor Rights Agreement**" means the Investor Rights Agreement dated as of the date hereof by and among the Parent, the Issuer and the Investors, as amended, supplemented, restated, converted, exchanged or replaced from time to time;

"**Issuer**" has the meaning given to that term in the recitals hereto;

"**Junior Shares**" has the meaning given to that term in the LLC Agreement;

"**Junior Stock**" shall mean the Junior Shares and the Junior Units;

"**Junior Units**" has the meaning given to that term in the LLC Agreement;

"**LLC Agreement**" means the amended and restated limited liability company agreement of the Issuer dated as of the date hereof among the Parent, the Issuer and the Investors;

"**Optional Exchange Date**" has the meaning given to that term in the LLC Agreement;

"**Optional Exchange Notice**" has the meaning given to that term in the LLC Agreement;

"**Optional Exchange Right**" has the meaning given to that term in Section 2.1;

"**Parent**" has the meaning given to that term in the recitals hereto;

"**Person**" has the meaning given to that term in the LLC Agreement;

"**Preferred Units**" shall mean the Preferred Units of the Issuer having the powers, preferences, rights, qualifications, limitations set forth in the LLC Agreement;

"**Purchase Agreement**" has the meaning given to that term in the LLC Agreement;

"**Reference Property**" has the meaning given to that term in the LLC Agreement;

"**Securities Act**" shall mean the U.S. Securities Act of 1933, as amended;

"**Stock Exchange**" has the meaning given to that term in the LLC Agreement;

"**Transaction Agreements**" has the meaning given to that term in the LLC Agreement;

"**TSXV**" means the TSX Venture Exchange or any successor thereto;

"**Units**" has the meaning given to that term in the LLC Agreement; and

"**U.S. Person**" means a "U.S. Person" as defined in Regulation S promulgated under the Securities Act, and includes, but is not limited to, an individual resident in the United States, an estate or trust of which any executor or administrator or trustee, respectively, is a U.S. Person and any partnership or corporation organized or incorporated under the laws of the United States.

1.2 Defined Terms in the LLC Agreement

Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to such terms in the LLC Agreement.

1.3 Rules of Construction

Except as may be otherwise specifically provided in this Agreement and unless the context otherwise requires, in this Agreement:

(a) the terms “Agreement”, “this Agreement”, “the Agreement”, “hereto”, “hereof”, “herein”, “hereby”, “hereunder” and similar expressions refer to this Agreement in its entirety and not to any particular provision hereof and include any schedules or exhibits thereto;

(b) references to an “Article” or “Section” followed by a number or letter refer to the specified Article or Section to this Agreement;

(c) the division of this Agreement into articles and sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement;

(d) words importing the singular number only shall include the plural and vice versa and words importing the use of any gender shall include all genders;

(e) the word “including” is deemed to mean “including without limitation”;

(f) the terms “party” and “the parties” refer to a party or the parties to this Agreement;

(g) any reference to this Agreement means this Agreement as amended, modified, replaced or supplemented from time to time;

(h) any reference to a statute, regulation or rule shall be construed to be a reference thereto as the same may from time to time be amended, re-enacted or replaced, and any reference to a statute shall include any regulations or rules made thereunder;

(i) all dollar amounts refer to currency of the United States of America;

(j) the word “day” means calendar day unless Business Day is expressly specified;

(k) any time period within which a payment is to be made or any other action is to be taken hereunder shall be calculated excluding the day on which the period commences and including the day on which the period ends; and

(l) whenever any action is required to be taken or period of time is to expire on a day other than a Business Day, such action shall be taken or period shall expire on the next following Business Day.

1.4 Entire Agreement

This Agreement and the other Transaction Agreements constitute the entire agreement between the parties with respect to the subject matter hereof and thereof and supersede all prior agreements, understandings, negotiations and discussions, whether written or oral. There are no conditions, covenants, agreements, representations, warranties or other provisions, express or implied, collateral, statutory or otherwise, relating to the subject matter hereof except as provided in this Agreement and the other Transaction Agreements.

1.5 Time of Essence

Time shall be of the essence of this Agreement.

1.6 Governing Law and Submission to Jurisdiction

(a) This Agreement and all matters, claims or actions (whether at law, in equity, in contract, in tort or otherwise) based upon, arising out of or relating to this Agreement or the negotiation, execution or performance of this Agreement, shall be interpreted and enforced in accordance with, and the respective rights and obligations of the parties shall be governed by, the laws of the State of Delaware applicable to contracts executed in and to be performed entirely within that State, regardless of the laws that might otherwise govern under any applicable conflict of laws principles.

(b) All matters, claims or actions arising out of or relating to this Agreement shall be heard and determined in the Chancery Court of the State of Delaware (or, if the Chancery Court of the State of Delaware declines to accept jurisdiction over any matter, claim or action, any state or federal court within the State of Delaware) and appellate courts therefrom and the parties hereto hereby irrevocably submit to the exclusive jurisdiction and venue of such courts in any such matter, claim or action and irrevocably waive the defense of an inconvenient forum or lack of jurisdiction to the maintenance of any such matter, claim or action. The consents to jurisdiction and venue set forth in this Section 1.6(b) shall not constitute general consents to service of process in the State of Delaware, shall have no effect for any purpose except as provided in this Section 1.6(b) and shall not be deemed to confer rights on any Person other than the parties hereto. Each party hereto agrees that service of process upon such party in any matter, claim or action arising out of or relating to this Agreement shall be effective if notice is given by overnight courier, with a copy by e-mail, at the address set forth in Section 4.1 of this Agreement. The parties hereto agree that a final judgment in any such matter, claim or action shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by applicable Law; provided that, nothing in the foregoing shall restrict any party's rights to seek any post-judgment relief regarding, or any appeal from, a final trial court judgment.

(c) EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE IT HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY MATTER, CLAIM OR ACTION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT AND ANY OF THE AGREEMENTS DELIVERED IN CONNECTION HEREWITH OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (A) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF ANY MATTER, CLAIM OR ACTION, SEEK TO ENFORCE THE FOREGOING WAIVER, (B) IT UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF SUCH WAIVER, (C) IT MAKES SUCH WAIVER VOLUNTARILY AND (D) IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVER AND CERTIFICATIONS IN THIS SECTION 1.6(c).

1.7 Severability

If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, all other provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party hereto. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties hereto as closely as possible in an acceptable manner to the end that transactions contemplated hereby are fulfilled to the extent possible.

ARTICLE II
EXCHANGE PROCEDURES

2.1 Optional Exchange Right

The Parent hereby grants to each Holder, as long as the Holder is an Exempt Purchaser at the time of such acquisition, the right (the "**Optional Exchange Right**") to acquire from the Parent, in exchange for the Holder delivering as consideration all or any part of the Preferred Units held from time to time by such Holder, that number of fully paid and non-assessable Exchange Common Shares equal to the number of Preferred Units exchanged by the Holder multiplied by the Exchange Rate of such Preferred Units (as adjusted pursuant to the LLC Agreement) on the Optional Exchange Date, all in accordance with the provisions of the LLC Agreement.

2.2 Forced Exchange Right

Notwithstanding the Optional Exchange Right, upon the occurrence of a Forced Exchange Event, the Parent shall have the right (the "**Forced Exchange Right**") to acquire directly from each Holder all, but not less than all, of the Preferred Units held from time to time by such Holder in consideration of that number of whole Exchange Common Shares for each such Preferred Unit equal to the Exchange Rate then in effect on the Forced Exchange Date, all in accordance with the provisions of the LLC Agreement; provided, however that in order for the Parent to exercise the Forced Exchange Right on the Forced Exchange Date, the Common Shares are listed and posted for trading on a Stock Exchange and no order ceasing or suspending trading in Common Shares or prohibiting the sale or issuance of Common Shares has been issued and no (formal or informal) proceedings for such purpose are pending or, to the knowledge of the Parent or the Issuer, have been threatened.

2.3 Optional Exchange Notice

The Optional Exchange Right may be exercised by a Holder by delivery by such Holder of the Optional Exchange Notice to the Parent and the Issuer in the manner and in accordance with the procedures set out in the LLC Agreement.

2.4 Forced Exchange Notice

The Forced Exchange Right may be exercised by the Parent and the Issuer by the delivery by the Parent and the Issuer of the Forced Exchange Notice to each Holder in the manner and in accordance with the procedures set out in the LLC Agreement.

2.5 Exchange Procedure

The Parent shall issue to the Holder the Exchange Common Shares (or, following a Capital Reorganization, the Reference Property) due upon exchange of the Preferred Units as of the Optional Exchange Date or the Forced Exchange Date, as applicable, all in accordance with the procedures set out in the LLC Agreement.

2.6 Representations of the Parent

The Parent hereby represents, warrants and covenants in favour of the Holders as follows:

(a) it is a corporation existing under the laws of the Province of British Columbia and has the requisite power and authority to own, lease and operate its properties and to conduct its business;

(b) it has all requisite legal and corporate power and authority to execute and deliver this Agreement and to perform its obligations hereunder;

(c) it has duly authorized, executed and delivered this Agreement, and, upon acceptance by the Investors, this Agreement will constitute a valid and binding agreement of the Parent, enforceable against the Parent in accordance with its terms, except as limited by applicable bankruptcy, insolvency, reorganization or other laws of general application affecting enforcement of creditors' rights and general principles of equity that restrict the availability of equitable remedies;

(d) no consent, approval, authorization, order or agreement of, or registration, filing or qualification with, or any other action by, any Governmental Entity or other Person is required for the execution, delivery or performance of this Agreement by the Parent;

(e) neither the entering into, delivery or performance of this Agreement nor the completion of the transactions contemplated in hereby, in the LLC Agreement or any other Transaction Agreement, in each case, by the Parent will: (i) conflict with or result in the violation or breach of any of the provisions of the articles or by-laws of the Parent, (ii) conflict with, or result in a breach or violation of any of the terms of, or constitute a default under, or result in the creation or imposition of any lien or right of any other Person upon any assets of the Parent pursuant to any agreement or other instrument to which the Parent is a party or by which the Parent is bound or to which any of the assets of the Parent is subject, or (iii) result in the violation of any law applicable to the Parent;

(f) any Common Shares deliverable upon exchange of the Preferred Units pursuant to the LLC Agreement and the terms hereof will be duly authorized and validly issued as fully paid and non-assessable, free and clear of any liens, claims, rights or encumbrances, other than those arising under law;

(g) it has reserved for issuance and will, at all times while any Preferred Units are outstanding, keep available, free from pre-emptive and other rights granted by the Parent, such number of Common Shares as are deliverable upon exchange of the outstanding Preferred Units pursuant to the LLC Agreement and the terms hereof; and

(h) it will make such filings and take such other reasonable commercial steps as may be necessary in order that the Common Shares deliverable upon exchange of the Preferred Units will be approved for listing and posted for trading on the TSXV or any Stock Exchange on which the Common Shares then trade, on the date of issuance of such Common Shares.

2.7 Holders' Acknowledgements

The Holders acknowledge that hold periods under applicable securities laws and the policies of the Stock Exchange may apply to any transfer of the Exchange Common Shares and prior to the expiry of any such applicable hold period, the certificates representing the Exchange Common Shares, if any, will bear such legend or legends as may, in the reasonable opinion of counsel to the Parent and the Issuer, be necessary in order to avoid a violation of any securities laws or to comply with the requirements of the Stock Exchange, provided that, at any time, in the opinion of counsel to the Parent and the Issuer, such legends are no longer necessary in order to avoid a violation of any such Laws, or the Holder of any such legended certificate, at the Holder's expense, provides the Parent and the Issuer with evidence reasonably satisfactory in form and substance to the Parent and the Issuer (which may include an opinion of counsel reasonably satisfactory to the Parent and the Issuer) to the effect that such Holder is entitled to sell or otherwise transfer such Preferred Units and Exchange Common Shares in a transaction in which such legends are not required, such legended certificate may thereafter be surrendered to the Parent and the Issuer in exchange for a certificate which does not bear such legend.

2.8 Transfer Taxes

All stock transfer or similar taxes (other than income or similar taxes) which are required to be paid in connection with any exchange of Preferred Units for Exchange Common Shares by a Holder hereunder will be, or will have been, fully paid or provided for by Parent; provided, that if a Holder requests or requires that any Exchange Common Shares are issued to a person other than such Holder signatory hereto, such Holder shall pay any such taxes imposed or required to be collected, and the Holder shall comply in all material respect with its obligations under any Laws imposing such taxes.

2.9 Fractional Shares

For the avoidance of doubt, Section 6.6 of the LLC Agreement will govern the terms of any exchange occurring pursuant to the exercise of the Optional Exchange Right and/or the Forced Exchange Right.

2.9 Dividends

The Parent acknowledges and agrees that it will not declare or make a distribution on its Common Shares unless the Issuer simultaneously declares, pays or makes, as the case may be, the dividend or distribution on the Preferred Units as provided in Section 6.2 of the LLC Agreement.

ARTICLE III
COVENANTS OF THE PARENT AND THE HOLDERS

3.1 Support Obligations

The Parent covenants and agrees with the Holders that, for so long as any Preferred Units remain outstanding:

(a) it will continue to directly or indirectly own all of the Units of the Issuer, other than the Preferred Units held by the Holders, and maintain the ability to elect a majority of the board of directors of the Issuer;

(b) it will, upon direction by the Issuer, cause the issuance and delivery to the Holders of such number of Common Shares necessary to satisfy the Issuer's obligations upon an exchange of Preferred Units pursuant to the LLC Agreement and in accordance with the terms hereof;

(c) it will not declare or pay any dividends on the Common Shares or any other class of shares in the capital of the Parent that ranks on a parity with or junior to the Common Shares as to dividend rights or rights upon the liquidation, winding-up or dissolution of the Parent;

(d) upon liquidation, winding-up or dissolution of the Issuer and/or the Parent, the Guaranteed Obligations will rank senior to the Junior Stock;

(e) it will not exercise any voting or consent rights which may be exercisable by the Holders of Preferred Units in accordance with the LLC Agreement or pursuant to applicable law with respect to any Preferred Units held by the Parent, and will cause its Affiliates not to exercise any such voting or consent rights with respect to any Preferred Units held by such Affiliates; and

(f) in the event that it holds any Preferred Units, it will take such action as is necessary such that such Preferred Units will no longer remain outstanding.

3.2 Transfer of Preferred Units

The rights and obligations of a Holder hereunder may be assigned, transferred or otherwise granted, in whole or in part, without prior written consent of any other party hereto to any transferee to whom such Holder validly transfers any of its Preferred Units in accordance with the LLC Agreement and the Investor Rights Agreement (as such term is defined in the LLC Agreement) provided such Holder shall cause such transferee to execute and deliver to the Parent a joinder agreement, in form reasonably satisfactory to the Parent, pursuant to which such transferee agrees to be bound by the terms and conditions of this Agreement.

ARTICLE IV
MISCELLANEOUS

4.1 Notices

(a) Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be delivered in person, transmitted by e-mail or similar means of recorded electronic communication or sent by registered mail, charges prepaid, addressed as follows:

(i) in the case of the Parent: 133 Richmond Street West
Toronto, Ontario M5H 2L3
Attention: Tamir Poleg, Chief Executive Officer
E-mail: [*redacted*]

(ii) in the case of the Issuer:

133 Richmond Street West
Toronto, Ontario M5H 2L3

Attention: Tamir Poleg and Michelle Ressler
E-mail: *[redacted]; [redacted]*

with a copy to:

Gowling WLG (Canada) LLP

1 First Canadian Place
100 King Street West, Suite 1600
Toronto, Ontario M5X 1G5

Attention: Jason A. Saltzman
E-mail: *[redacted]*

(ii) in the case of a Holder, to the address of the Holder contained on the register of Holders maintained by the Issuer.

(b) Any such notice or other communication shall be deemed to have been given and received on the day on which it was delivered or transmitted by email or personally by hand (or, if such day is not a Business Day or if delivery or transmission is made on a Business Day after 5:00 p.m. (Toronto time) at the place of receipt, then on the next following Business Day) or, if mailed by internationally recognized overnight courier, on the Business Day following the date of mailing; provided, however, that if at the time of mailing or within two Business Days thereafter there is or occurs a labour dispute or other event which might reasonably be expected to disrupt the delivery of documents by mail, any notice or other communication hereunder shall be delivered or transmitted by means of recorded electronic communication as aforesaid.

(c) Any party may at any time change its address for service from time to time by giving notice to the other parties in accordance with this Section 4.1.

4.2 Amendments and Waivers

This Agreement (or any provision hereof) may only be amended, supplemented or otherwise modified or waived (a) by written agreement signed by the Parent, the Issuer and Holders representing at least two-thirds of the outstanding Preferred Units, and (b) solely to the extent required by the applicable rules and regulations of the TSXV and any other applicable Stock Exchange, subject to approval thereof. No waiver of any provision of this Agreement shall constitute a waiver of any other provision, nor shall any waiver of any provision of this Agreement constitute a continuing waiver unless otherwise expressly provided.

4.3 Successor

The Parent shall not effect a Capital Reorganization, other than a Change of Control, unless, as applicable: (i) the resulting Person or continuing corporation (herein called the "**Parent Successor**"), by operation of law, shall become, without more, bound by the terms and provisions of this Agreement; (ii) if not so bound, the Parent Successor shall execute, prior to or contemporaneously with the consummation of such transaction, an agreement supplemental hereto and such other instruments (if any) to evidence the assumption by the Parent Successor of the obligations of the Parent under this Agreement; or (iii) the parties agree to amend this Agreement in accordance with Section 4.2, as reasonably necessary, in order that this Agreement shall apply with full force and effect, *mutatis mutandis*, to all new securities into which Common Shares are changed as a result of such Capital Reorganization.

4.4 Assignment

No party may assign any of its rights or benefits under this Agreement, or delegate any of its duties or obligations, except in accordance with Section 3.2 (in which case, consent is not required) or with the prior written consent of the other parties. Any other purported assignment, transfer or delegation other than in accordance with this Section 4.4 shall be null and void.

4.5 Successors and Assigns

This Agreement shall enure to the benefit of and shall be binding on and enforceable by and against the parties and their respective successors or heirs, executors, administrators and other legal personal representatives, and permitted assigns.

4.6 Further Assurances

Each of the parties hereto shall, from time to time hereafter and upon any reasonable request of the other, promptly do, execute, deliver or cause to be done, executed and delivered all further acts, documents and things as may be required or necessary for the purposes of giving effect to this Agreement.

4.7 Counterparts

This Agreement and all documents contemplated by or delivered under or in connection with this Agreement may be executed and delivered in any number of counterparts, with the same effect as if all parties had signed and delivered the same document, and all counterparts shall be construed together to be an original and will constitute one and the same agreement.

4.8 Liability of the Parent and the Issuer

Each of the Parent and the Issuer agree and acknowledge that any breach of this Agreement by, or the failure to perform any obligation in accordance with the terms of this Agreement of, the Issuer shall be deemed to be a breach of this Agreement by, or failure to perform such obligation of, the Parent, and the Parent shall be fully and directly liable for any and all damages relating to, arising from or suffered in connection with such breach or failure. Subject to and in accordance with Article 4 of the Purchase Agreement, each of the Parent and the Issuer agrees, jointly and severally, to indemnify, hold harmless and defend each Holder from and against any and all losses, liabilities, costs, damages, taxes, judgments, claims or other expenses (including attorneys' fees) related to, in connection with or arising out of any exchange occurring pursuant to the Optional Exchange Right and/or the Forced Exchange Right not being completed in accordance with the terms and conditions of this Agreement and the LLC Agreement.

4.9 Right to Injunctive Relief

Each of the parties hereby acknowledges and agrees that in the event of a breach or threatened breach of any of its covenants hereunder, the harm suffered would not be compensable by monetary damages alone and, accordingly, in addition to other available legal or equitable remedies available to such party, each Holder (in respect of any breach of this Agreement by the Parent or the Issuer) and the Parent or the Issuer (in respect of any breach of this Agreement by any Holder) shall be entitled to apply for an injunction or specific performance with respect to such breach or threatened breach, without proof of actual damages (and without the requirement of posting a bond, undertaking or other security in connection with such action), and each of the parties hereby agrees not to plead sufficiency of damages as a defence in such circumstances.

4.10 Certain Transactions

In the event of any stock split, reverse stock split, stock dividend or distribution, subdivision, or any change in the Common Shares or the Preferred Units by reason of any recapitalization, combination, reclassification, exchange of shares, merger, consolidation, partial or complete liquidation, share dividend, split-up, sale of assets, distribution to equityholders or similar transactions or changes in the Parent's or the Issuer's capital structure, (a) the terms "Common Shares" and "Preferred Units" used herein shall, as applicable, be deemed to refer to and include all such dividends and distributions and any other securities into which or for which any or all of such securities may be changed or exchanged or which are received in such transaction and (b) the Parent and the Issuer agree that appropriate adjustments shall be made to this Agreement as necessary to ensure that the Investors have, immediately after consummation of such transaction, substantially the same rights with respect to the Parent, the Issuer or another issuer of securities, as applicable, as they have immediately prior to the consummation of such transaction under this Agreement.

4.11 Several Obligations

The obligations of each Investor under this Agreement shall be several, and not joint.

4.12 Non-Recourse

Notwithstanding anything to the contrary in this Agreement, (a) this Agreement may only be enforced against, and any action, dispute, claim, suit or other proceeding for breach of this Agreement may only be made against, the Persons that are expressly identified herein and/or are parties hereto, (b) none of (i) the former, current and future Affiliates, directors, officers, managers, employees, advisors, representatives, shareholders, members, managers, partners, successors and assigns of the Investors or any Affiliate thereof or any former, current and future Affiliate, director, officer, manager, employee, advisor, representative, shareholder, member, manager, partner, successor and assign of any of the foregoing (collectively, "**Investor Related Parties**") shall have any liability for any liabilities or obligations of the parties hereto for any action, dispute, claim, suit or other proceeding (whether in tort, contract or otherwise) for breach of this Agreement or in respect of any representations made or alleged to be made in connection herewith, (c) none of the Parent, the Issuer nor or their respective Affiliates shall have any rights of recovery in respect hereof against any Investor Related Party and (d) no personal liability shall attach to any Investor Related Party through the Investors or otherwise, whether by or through attempted piercing of the corporate veil, by or through an action, dispute, claim, suit or other proceeding (whether in tort, contract or otherwise), by the enforcement of any judgment, fine or penalty or by virtue of any statute, regulation or other applicable Law, or otherwise; provided that, for the avoidance of doubt, nothing in this Section 4.12 shall restrict or limit the rights or obligations of a Person under any other Transaction Agreement to which such Person is a party.

4.13 Conflict

To the extent that there is any inconsistency between the terms of this Agreement and the terms of the LLC Agreement, the terms of the LLC Agreement shall govern to the extent of the inconsistency.

[The remainder of this page has been intentionally left blank. Signature page follows.]

IN WITNESS WHEREOF, this Agreement has been executed by the parties on the date first written above.

PARENT:

THE REAL BROKERAGE INC.

Per: *signed "Tamir Poleg"*
Name: Tamir Poleg
Title: Chief Executive Officer

ISSUER:

REAL PIPE, LLC

Per: *signed "Michelle Ressler"*
Name: Michelle Ressler
Title: Manager

INVESTORS:

INSIGHT PARTNERS XI, L.P.
Insight Associates XI, L.P., its general partner
Insight Associates XI, Ltd., its general partner

Per: *signed "Andrew Prodromos"*
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS (CAYMAN) XI, L.P.
Insight Associates XI, L.P., its general partner
Insight Associates XI, Ltd., its general partner

Per: *signed "Andrew Prodromos"*
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS XI (CO-INVESTORS), L.P.
Insight Associates XI, L.P., its general partner
Insight Associates XI, Ltd., its general partner

Per: *signed "Andrew Prodromos"*
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS XI (CO-INVESTORS) (B), L.P.
Insight Associates XI, L.P., its general partner
Insight Associates XI, Ltd., its general partner

Per: *signed "Andrew Prodromos"*
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS (DELAWARE) XI, L.P.
Insight Associates XI, L.P., its general partner
Insight Associates XI, Ltd., its general partner

Per: *signed "Andrew Prodromos"*
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS (EU) XI, S.C.Sp.
Insight Associates (EU) XI, S.a.r.l., its general partner

Per: *signed "Andrew Prodromos"*
Name: Andrew Prodromos
Title: Authorized Officer

EXHIBIT B

GUARANTEE AGREEMENT

Execution Version

SUBORDINATED GUARANTEE AGREEMENT

THE REAL BROKERAGE INC.

– and –

THE INVESTORS SET FORTH ON SCHEDULE A HERETO

December 2, 2020

SUBORDINATED GUARANTEE AGREEMENT

THIS SUBORDINATED GUARANTEE AGREEMENT (this "**Guarantee**") is made effective the 2nd day of December, 2020,

BETWEEN:

THE REAL BROKERAGE INC., a corporation incorporated under the laws of the Province of British Columbia (the "**Guarantor**")

– and –

Each of the investors set forth on Schedule A hereto

(collectively with any person or persons to whom such parties' rights under this Guarantee have been assigned or transferred in whole or in part in accordance with Section 6.4, the "**Investors**", and each an "**Investor**")

WHEREAS:

A. The Guarantor is the direct parent of REAL PIPE, LLC, a limited liability company existing under the laws of the State of Delaware (the "**Issuer**").

B. The Issuer has agreed to issue and sell to the Investors, and the Investors have agreed to subscribe for and purchase, an aggregate of 17,236,842 Preferred Units of the Issuer (such Preferred Units outstanding from time to time, collectively, the "**Preferred Units**") pursuant to the Securities Subscription Agreement by and among the Guarantor, the Issuer and the Investors dated as of December 2, 2020 (the "**Subscription Agreement**").

C. The Investors have agreed to subscribe for the Preferred Units on the condition that the Guarantor guarantees the obligation of the Issuer to pay to the Investors the Guaranteed Obligations in respect of such Investor's Preferred Units irrespective of whether the Issuer has sufficient net assets or available funds to do so, which guarantee will rank junior to any Senior Indebtedness of the Guarantor.

NOW THEREFORE in consideration of the premises and the mutual covenants and agreements herein contained and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereto hereby covenant and agree as follows:

ARTICLE 1
DEFINITIONS

1.1 Definitions

Except as set out as follows, capitalized terms used herein and not otherwise defined below shall have the meanings attributed to such terms in the Subscription Agreement:

"**Credit Facilities**" shall mean (i) Senior Indebtedness for borrowed money, (ii) Senior Indebtedness evidenced by bonds, debentures, notes or other similar instruments, (iii) Senior Indebtedness evidenced by letters of credit, bankers' acceptances and other similar instruments, and (iv) Senior Indebtedness under hedging obligations, whether outstanding on the date of this Guarantee or thereafter created, incurred, assumed or guaranteed;

"**Event of Default**" has the meaning assigned to that term in Section 4.2;

"**Governmental Authority**" has the meaning assigned to that term in Section 5.1(d);

"**Guaranteed Obligations**" shall mean all obligations of the Issuer to the Investors relating to the Preferred Units. For greater certainty, under no circumstance shall any obligations owed to any holder of common shares of the Guarantor, solely in its capacity as a holder of common shares, be deemed Guaranteed Obligations for purposes of this Guarantee;

"**Guarantor**" has the meaning assigned to that term in the recitals;

"**Indebtedness**" means, with respect to the Guarantor, without duplication, (i) the unpaid principal, accrued and unpaid interest, premiums, penalties (including prepayment penalties), breakage costs and other fees, expenses (if any, including third party expenses), and other payment obligations and amounts owing by the Guarantor; (ii) all obligations as evidenced by notes, debentures, bonds or other similar instruments, (iii) all obligations under conditional sale or other title retention agreements relating to property acquired by the Guarantor,(iv) all obligations, contingent or otherwise, of the Guarantor as an account party in respect of letters of credit and letters of guarantee or bankers acceptances;; (v) all obligations with respect to interest rate hedging, swaps or similar financial arrangements (valued at the termination value thereof and net of all payments owed to the Guarantor); and (vi) all guarantees of any of the foregoing;

"**Indemnified Taxes**" has the meaning assigned to that term in Section 4.7;

"**Investor**" or "**Investors**" has the meaning assigned to that term in the recitals;

"**Issuer**" has the meaning assigned to that term in the recitals;

"**LLC Agreement**" means the amended and restated limited liability company agreement of the Issuer dated as of December 2, 2020;

"**Officer's Certificate**" means a certificate signed by any officer or director (or the equivalent) of the Guarantor;

"**Preferred Units**" has the meaning assigned to that term in the recitals;

"**Senior Indebtedness**" means the principal of and the interest and premium (and any other amounts payable thereunder), if any, in respect of:

(a) all Indebtedness (including any Indebtedness to trade creditors which for greater certainty does not include trade payables) and related liabilities and obligations of the Guarantor (other than Guaranteed Obligations), whether outstanding on the date of this Guarantee or thereafter created, incurred, assumed or guaranteed; and

(b) all renewals, extensions, restructurings, refinancings and refundings of any such Indebtedness and related liabilities and obligations referred to in clause (a) above;

provided, however, that Senior Indebtedness shall not include (i) any obligation of the Guarantor to any subsidiary of the Guarantor, or of such subsidiary to the Guarantor or any other subsidiary of the Guarantor, (ii) any liability for federal, state, provincial, local or other taxes owed or owing by the Guarantor, (iii) any obligations with respect to any equity securities in the capital of the Guarantor, and
(iv) any Indebtedness pursuant to which the terms of the instrument creating or evidencing such Indebtedness provide that such Indebtedness ranks *pari passu* with, or is subordinated in right of payment to, this Guarantee;

"**Subscription Agreement**" has the meaning assigned to that term in the recitals; and

"**Transaction Agreements**" has the meaning assigned to that term in the Subscription Agreement.

1.2 Rules of Construction

Except as may be otherwise specifically provided in this Guarantee and unless the context otherwise requires, in this Guarantee:

(a) the terms "Guarantee", "this Guarantee", "the Guarantee", "hereto", "hereof", "herein", "hereby", "hereunder" and similar expressions refer to this Guarantee in its entirety and not to any particular provision hereof and include any schedules or exhibits thereto;

(b) references to an "Article" or "Section" followed by a number or letter refer to the specified Article or Section to this Guarantee;

(c) the division of this Guarantee into articles and sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Guarantee;

(d) words importing the singular number only shall include the plural and vice versa and words importing the use of any gender shall include all genders;

(e) the word "including" is deemed to mean "including without limitation";

(f) the terms "party" and "the parties" refer to a party or the parties to this Guarantee;

(g) any reference to this Guarantee means this Guarantee as amended, modified, replaced or supplemented from time to time;

(h) any reference to a statute, regulation or rule shall be construed to be a reference thereto as the same may from time to time be amended, re-enacted or replaced, and any reference to a statute shall include any regulations or rules made thereunder;

(i) all dollar amounts refer to currency of the United States of America;

(j) the word "day" means calendar day unless Business Day is expressly specified;

(k) any time period within which a payment is to be made or any other action is to be taken hereunder shall be calculated excluding the day on which the period commences and including the day on which the period ends; and

(l) whenever any action is required to be taken or period of time is to expire on a day other than a Business Day, such action shall be taken or period shall expire on the following Business Day.

ARTICLE 2
GUARANTEE

2.1 Guarantee

The Guarantor absolutely, irrevocably and unconditionally, as primary obligor and not merely as surety, guarantees in favour of the Investors the due and punctual payment, performance and discharge of the Guaranteed Obligations, as applicable, as and when the same shall be due and payable, whether by lapse of time, acceleration of maturity or otherwise, regardless of any defense (except for the defense to any payment obligation by the Issuer available to it under the express terms of the LLC Agreement), deduction, right of set-off or counterclaim which the Guarantor may now or hereafter have or assert and without abatement, suspension, deferment or diminution on account of any event or condition whatsoever. In addition to the foregoing, notwithstanding anything else herein to the contrary, the Guarantor agrees to pay any and all documented and out of pocket expenses (including reasonable counsel fees and expenses) reasonably incurred by any Investor in enforcing any rights under this Guarantee upon request by such Investor, and in any event within thirty (30) days of such request.

2.2 Waiver of Notice and Defenses

The Guarantor hereby waives any and all notice of acceptance of this Guarantee and any and all notice of the creation, renewal, modification, extension or accrual of the Guaranteed Obligations and irrevocably waives and agrees not to assert any claims for defense, set-off or counterclaim based on promptness, diligence, presentment, demand, protest and notice of any kind, all defenses which may be available by virtue of any valuation, stay, moratorium law or other similar law now or hereafter in effect, any right to require the marshalling of assets of the Issuer or any other person now or hereafter in effect.

2.3 Guarantee Absolute

The Guarantor guarantees that the Guaranteed Obligations will be paid strictly in accordance with their terms and the terms of this Guarantee, regardless of any Law, regulation or order now or hereafter in effect in any jurisdiction affecting any such terms or the rights of the Investors with respect thereto. The liability of the Guarantor under this Guarantee shall be absolute and unconditional irrespective of:

(a) any sale, transfer or assignment by any Investor of any Preferred Units or any right, title, benefit or interest of such Investor therein or thereto;

(b) any amendment or change in or to, or any repeal, modification or waiver of the LLC Agreement or any other agreement evidencing, securing or otherwise executed in connection with any of the Guaranteed Obligations;

(c) any change in the name, shareholders, constitution, capacity, capital or the articles, by-laws or other constating documents of the Guarantor;

(d) any change in the name, members, constitution, capacity, membership interests or the constating documents of the Issuer;

(e) any partial payment by the Issuer, or any release or waiver, by operation of Law or otherwise, of the performance or observance by the Issuer of any express or implied agreement, covenant, term or condition relating to the Preferred Units to be performed or observed by the Issuer;

(f) the extension of time for, or any change in the place or manner of, the payment by the Issuer of all or any portion of the Guaranteed Obligations or the extension of time for, or any change in the place or manner of, the performance of any other obligation under, arising out of, or in connection with, the LLC Agreement;

(g) any failure, omission, delay or lack of diligence on the part of any Investor to enforce, assert or exercise any right, privilege, power or remedy conferred on such Investor pursuant to the terms of the LLC Agreement, or any action on the part of any Investor granting indulgence or extension of any kind;

(h) subject to Section 4.1.2, the recovery of any judgment against the Issuer, any voluntary or involuntary liquidation, dissolution, sale of any collateral, winding up, merger or amalgamation of the Issuer or the Guarantor, any sale or other disposition of all or substantially all of the assets of the Issuer, or any judicial or extrajudicial receivership, insolvency, bankruptcy, assignment for the benefit of, or proposal to, creditors, reorganization, moratorium, arrangement, composition with creditors, or readjustment of debt of, or other proceedings affecting the Issuer, the Guarantor or any of the assets of the Issuer or the Guarantor;

(i) any circumstance, act or omission that would prevent subrogation operating in favour of the Guarantor;

(j) any illegality, invalidity of, or defect or deficiency or unenforceability in, the LLC Agreement;

(k) the settlement or compromise of any obligation guaranteed hereby or hereby incurred;

(l) any defense by the Issuer to immunity from suit or any suretyship defense that might be available to the Guarantor; or

(m) any other circumstance, act or omission that might otherwise constitute a defence available to, or a discharge of, the Issuer in respect of any of the Guaranteed Obligations, or the Guarantor in respect of any of the Guaranteed Obligations (other than, and to the extent of, the payment or satisfaction thereof),

it being the intent of the Guarantor that its obligations in respect of the Guaranteed Obligations shall be absolute and unconditional under all circumstances and shall not be discharged except by payment in full of the Guaranteed Obligations. None of the Investors shall be bound or obliged to seek to enforce or exhaust its recourse against the Issuer or any other persons or to take any other action against the Issuer or any other persons before being entitled to demand payment from the Guarantor hereunder.

There shall be no obligation of an Investor to give notice to, or obtain the consent of, the Guarantor with respect to the happening of any of the foregoing.

2.4 Continuing Guarantee

This Guarantee shall apply to and secure any balance due or remaining due to the Investors in respect of the Guaranteed Obligations and shall be binding as an absolute and continuing obligation of the Guarantor. This Guarantee shall continue to be effective or be reinstated, as the case may be, if at any time payment of any of the Guaranteed Obligations must or may be rescinded, is declared or may become voidable, annulled, invalidated, declared to be fraudulent or preferential or must or may otherwise be returned, refunded or repaid by an Investor for any reason, including the insolvency, bankruptcy, dissolution or reorganization of the Issuer or upon or as a result of the appointment of a custodian, receiver, trustee or other officer with similar powers with respect to the Issuer or any substantial part of its property, all as though such payment had not been made. If at any time the Issuer is precluded from making payment when due in respect of any Guaranteed Obligations, such amounts shall nonetheless be deemed to be due and payable by the Issuer to the Investors for all purposes of this Guarantee and, subject to Article 3, the Guaranteed Obligations shall be immediately due and payable to the Investors. This is a guarantee of payment, and not merely a deficiency or collection guarantee.

2.5 Guarantee of Payment

Subject to Article 3, if the Issuer fails to pay any of the Guaranteed Obligations when due, the Guarantor shall pay to such Investor the Guaranteed Obligations immediately, and in any event within fifteen (15) days after demand made in writing by such Investor.

2.6 Subrogation; Set-Off

The Guarantor shall have no right of subrogation in respect of any payment made to Investors hereunder until such time as the Guaranteed Obligations have been fully satisfied. In the case of the liquidation, dissolution, winding-up or bankruptcy of the Issuer (whether voluntary or involuntary), or if the Issuer makes an arrangement or compromise or proposal with its creditors, the Investors shall have the right to receive payment for their full claim and to receive all distributions or other payments in respect thereof until their claims have been paid in full, and the Guarantor shall continue to be liable to the Investors for all and any balance which may be owed to the Investors by the Issuer. The Guaranteed Obligations shall not, however, be released, discharged, limited or affected by the failure or omission of any Investor to prove the whole or part of any claim against the Issuer. If any amount is paid to the Guarantor on account of any subrogation arising hereunder at any time when the Guaranteed Obligations have not been fully satisfied, such amount shall be held in trust by the Guarantor for the benefit of the applicable Investor and shall forthwith be paid to such Investor to be credited and applied against the Guaranteed Obligations. After a demand has been made by an Investor for payment of the Guaranteed Obligations, until the Guaranteed Obligations have been paid in full, the Guarantor shall have no right of set-off or counterclaim against the Issuer.

2.7 Independent Obligations

The Guarantor acknowledges that its obligations hereunder are independent of the obligations of the Issuer with respect to the Preferred Units and that the Guarantor shall be liable to make payment (or cause payment to be made) of the Guaranteed Obligations pursuant to the terms of this Guarantee notwithstanding the occurrence of any event referred to in subsections (a) through (m), inclusive, of Section 2.3. The Guarantor will pay (or cause to be paid) the Guaranteed Obligations without regard to any equities between it and the Issuer or any defence, deduction or right of set-off, compensation, abatement, combination of accounts or cross-claim that it or the Issuer may have. The Guarantor herby further covenants and agrees that it shall not assert as a defense in any proceeding to enforce this Guarantee that this Guarantee is illegal, invalid or unenforceable in accordance with its terms.

2.8 Indemnity

If any or all of the Guaranteed Obligations are not duly performed by the Issuer and are not performed by the Guarantor for any reason whatsoever, the Guarantor will, as a separate and distinct obligation, indemnify and save harmless the Investors from and against all losses resulting from the failure of the Issuer to duly perform such Guaranteed Obligations without duplication.

ARTICLE 3
PRIORITY OF GUARANTEED OBLIGATIONS

3.1 Applicability of Article

The obligations of the Guarantor hereunder shall be postponed and subordinated in right of payment to the prior payment in full of all Senior Indebtedness in accordance with the terms of such Senior Indebtedness whether now outstanding or hereinafter incurred. Each of the Investors, as a condition to and by acceptance of the benefits conferred hereby, agrees to and shall be bound by the provisions of this Article 3.

3.2 Order of Payment

Upon any distribution of the assets of the Guarantor upon any dissolution, winding-up, liquidation or reorganization of the Guarantor, whether in bankruptcy, insolvency, reorganization or receivership proceedings or upon an assignment for the benefit of creditors or any other marshalling of the assets and liabilities of the Guarantor or otherwise:

(a) all Senior Indebtedness shall be first paid in full, or provision made for such payment, before any payment is made on account of the Guaranteed Obligations;

(b) the Guaranteed Obligations shall be paid in full, or provision made for such payment, before any payment is made by the Guarantor on (i) common shares or any other equity securities, rights or interests in the capital of the Guarantor, and (ii) any guarantees now existing or hereafter entered into by the Guarantor with respect to any equity securities, notes, bonds, debentures, agreements in respect of borrowed money and/or any other debt securities or instruments other than, in each case, Senior Indebtedness, of any Subsidiaries or Affiliates of the Guarantor; provided that, upon the demand by any Investor hereunder for the Guarantor to pay the Guaranteed Obligations due to such Investor, the Guarantor shall concurrently pay all Investors the Guaranteed Obligations owed to each such Investor; provided, further, that in the event the assets of the Guarantor available to pay the Guaranteed Obligations to all Investors at such time shall be insufficient to pay in full all amounts with respect to the Guaranteed Obligations to which all Investors are entitled pursuant to this Guarantee, the amounts paid to the Investors in respect of the Guaranteed Obligations shall be made, equally and ratably, in proportion to the amount of the Guaranteed Obligations owed to all other Investors, and any unpaid amounts shall be subject to Section 2.5;

(c) any payment or distribution of assets of the Guarantor of any kind or character, whether in cash, property or securities, to which the Investors would be entitled except for the provisions of this Article 3 shall be paid or delivered by the trustee or agent or other person making such payment or distribution, whether a trustee in bankruptcy, a receiver or liquidating trustee or otherwise, directly to the holders of the Senior Indebtedness or their representative or representatives or to the trustee or trustees under any indenture pursuant to which any instruments evidencing any of such Senior Indebtedness may have been issued, as their respective interests may appear, to the extent necessary to make payment in full of all such Senior Indebtedness remaining unpaid, after giving effect to any concurrent payment or distribution to the holders of such Senior Indebtedness in respect thereof; and

(d) in the event that, notwithstanding the foregoing, any payment or distribution of assets of the Guarantor of any kind or character, whether in cash, property or securities, shall be received by one or more Investors before all Senior Indebtedness is paid in full contrary to the terms hereof, such payment or distribution shall be paid over to the holders of such Senior Indebtedness in accordance with the terms hereof, or their representative or representatives or to the trustee or trustees under any indenture under which any instruments evidencing any of such Senior Indebtedness may have been issued, as their respective interests may appear, for application to the payment of all Senior Indebtedness remaining unpaid until all such Senior Indebtedness shall have been paid in full, after giving effect to any concurrent payment or distribution to the holders of such Senior Indebtedness in respect thereof.

3.3 Obligation to Pay Not Impaired

Nothing contained in this Article 3 or elsewhere in this Guarantee or in the LLC Agreement is intended to or shall impair, as between the Guarantor, its creditors (other than the holders of Senior Indebtedness), and the Investors, the obligation of the Guarantor, which is absolute and unconditional, to pay (or cause to be paid) to the Investors the Guaranteed Obligations in accordance herewith, as and when the same shall become due and payable in accordance with this Guarantee, or affect the relative rights of the Investors and creditors of the Guarantor other than the holders of the Senior Indebtedness; nor shall anything herein or therein prevent an Investor from exercising all remedies otherwise permitted by applicable Law upon default under this Guarantee, subject to the rights, if any, under this Article 3 of the holders of the Senior Indebtedness in respect of cash, property or securities of the Guarantor that are received upon the exercise of any such remedy.

3.4 No Payment if Credit Facilities in Default

Upon the maturity of any Credit Facilities by lapse of time, acceleration, demand or otherwise, all principal of and interest and premium, if any, on all such matured Credit Facilities (and any other amounts payable thereunder) shall first be paid in full, or shall first have been duly provided for, before any payment by the Guarantor is made (or caused to be made) to Investors on account of the Guaranteed Obligations.

In case of a default under any Credit Facilities permitting the holder thereof to accelerate the maturity thereof, unless and until such default shall have been cured or waived or shall have ceased to exist in accordance with the provisions of such Credit Facilities, no payment shall be made (or caused to be made) by the Guarantor with respect to the Guaranteed Obligations, and no Investor shall be entitled to demand, institute proceedings for the collection of, or receive any such payment or benefit from the Guarantor (including by set-off, combination of accounts or otherwise in any manner whatsoever) on account of the Guaranteed Obligations after the happening of such a default (except as provided in Section 3.5), and unless and until such default shall have been cured or waived or shall have ceased to exist in accordance with the provisions of such Credit Facilities. For the avoidance of doubt, this Section 3.4 shall not be construed so as to prevent the Investors from receiving and retaining any payments on account of the Guaranteed Obligations at any time when no such default has occurred and is continuing.

The fact that any payment hereunder is prohibited by this Section 3.4 shall not prevent the failure to make such payment from being an Event of Default hereunder.

3.5 Confirmation of Subordination

As a condition to the benefits conferred hereby on the Investors, each of the Investors by acceptance thereof agrees to take such action as may be necessary to effectuate the subordination to Senior Indebtedness as provided in this Article 3. Upon the reasonable request of and at the sole cost and expense of the Guarantor, and upon being furnished with an Officer's Certificate stating that one or more named persons are holders of Senior Indebtedness, or the representative or representatives of such holders, or the trustee or trustees under which any instrument evidencing such Senior Indebtedness, and specifying the amount and nature of such Senior Indebtedness, each such Investor shall enter into a commercially reasonable written agreement or agreements with the Guarantor and the person or persons named in such Officer's Certificate providing that such person or persons are entitled to all the rights and benefits of this Article 3 as the holder or holders, representative or representatives, or trustee or trustees of such Senior Indebtedness specified in such Officer's Certificate and in such agreement.

3.6 Investors May Hold Senior Indebtedness

Each of the Investors is entitled to all the rights set forth in this Article 3 with respect to any Senior Indebtedness at the time held by it, to the same extent as any other holder of Senior Indebtedness, and nothing in this Guarantee deprives such holder of any of its rights as such holder.

3.7 Rights of Holders of Senior Indebtedness Not Impaired

No right of any present or future holder of any Senior Indebtedness to enforce the subordination herein will at any time or in any way be prejudiced or impaired by any act or failure to act on the part of the Guarantor or by any non-compliance by the Guarantor with the terms, provisions and covenants of this Guarantee, regardless of any knowledge thereof which any such holder may have or be otherwise charged with.

3.8 Altering Senior Indebtedness

A holder of Senior Indebtedness has the right to extend, renew, modify or amend the terms of such Senior Indebtedness or any security therefor and to release, sell or exchange such security and otherwise to deal freely with the Guarantor or any other person, all without notice to or consent of the Investors and without affecting the subordination herein, the liabilities and obligations of the parties to this Guarantee.

3.9 Additional Senior Indebtedness and Securities

This Guarantee does not restrict the Guarantor from incurring any Indebtedness or otherwise or mortgaging, pledging or charging its properties to secure any Indebtedness or from issuing any securities.

ARTICLE 4
TERMINATION AND REMEDIES

4.1 Termination of Guarantee

4.1.1 This Guarantee and all obligations hereunder will terminate and be of no further force and effect upon the date on which all Preferred Units have been exchanged for common shares in the capital of the Guarantor or any successor thereto (as applicable) in accordance with their terms in respect of the Guaranteed Obligations have been paid in full.

4.1.2 Subject to Section 6.4, all of the rights, obligations and liabilities of the Guarantor pursuant to this Guarantee shall terminate, and the Guarantor shall be discharged of all obligations and covenants under this Guarantee, upon the conveyance, distribution or transfer (including pursuant to a reorganization, consolidation, liquidation, dissolution, sale of any collateral, winding up, merger, amalgamation, arrangement or otherwise) of all or substantially all of the Guarantor's properties, securities and assets to a person that has assumed in full the obligations of the Guarantor pursuant to and in accordance with Section 6.4.

4.2 Suits for Enforcement by Investors

In the event that the Guarantor fails to pay any Guaranteed Obligations as required (an "**Event of Default**") pursuant to the terms of this Guarantee, any Investor may institute judicial proceedings for the collection of the moneys so due and unpaid, may prosecute such proceedings to judgment or final decree and may enforce the same against the Issuer and/or the Guarantor and may collect the moneys adjudged or decreed to be payable in the manner provided by Law out of the property of the Guarantor.

4.3 Investors May File Proofs of Claim

In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding relative to the Guarantor or the property of the Guarantor, each Investor shall be entitled and empowered, by intervention in such proceeding or otherwise:

(a) to file and prove a claim for any Guaranteed Obligation then due and payable and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Investors allowed in such judicial proceeding; and

(b) to collect and receive any moneys or other property payable or deliverable on any such claims and to distribute the same.

4.4 Restoration of Rights and Remedies

If any Investor has instituted any proceeding to enforce any right or remedy under this Guarantee and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to such Investor, then and in every such case, subject to any determination in such proceeding, the Guarantor and such Investor shall be restored severally and respectively to their former positions hereunder and thereafter all rights and remedies of the Investors shall continue as though no such proceeding had been instituted.

4.5 Rights and Remedies Cumulative

No right or remedy herein conferred upon or reserved to any Investor is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by Law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

4.6 Delay or Omission Not Waiver

No delay by or omission of any Investor to exercise any right or remedy accruing upon an Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given by this Article or by Law to the Investors may be exercised from time to time, and as often as may be deemed expedient, by each Investor.

4.7 Withholding

All payments to be made by the Guarantor to an Investor under this Guarantee shall be paid free and clear of, and without deduction or withholding for or on account of, any taxes; provided, that if the Guarantor is required by applicable Law to deduct or withhold any taxes from any such payment (such taxes required to be deducted or withheld, the "**Indemnified Taxes**"), then the Guarantor shall (a) make such withholding or deduction; (b) pay to the Investor such additional amounts as may be necessary so that after making or allowing for all required withholdings and deductions for taxes (including withholdings and deductions applicable to additional amounts payable under this Section 4.7), the Investor has received or receives an amount equal to that which it would have had or received had no such withholdings or deductions been required; (c) timely remit such taxes directly to the relevant Governmental Authority; and (d) furnish to the Investor, within a reasonable time, evidence of such remittance. The Guarantor shall indemnify and hold harmless an Investor within fifteen (15) Business Days after written demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section 4.7), whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate setting forth in reasonable detail the basis and calculation of the amount of such payment or liability delivered to the Guarantor by an Investor shall be conclusive absent manifest error.

ARTICLE 5
REPRESENTATIONS

5.1 Guarantor Representations

The Guarantor represents, warrants and covenants to each of the Investors, and acknowledges that each of the Investors is relying thereon, that:

(a) The Guarantor is a corporation existing under the laws of the Province of British Columbia and has the requisite power and authority to own, lease and operate its properties and to conduct its business;

(b) The Guarantor has all requisite legal and corporate power and authority to execute and deliver this Guarantee and to perform its obligations hereunder;

(c) The Guarantor has duly authorized, executed and delivered this Guarantee, and, upon acceptance by the Investors, this Guarantee will constitute a valid and binding agreement of the Guarantor, enforceable against the Guarantor in accordance with its terms, except as limited by applicable bankruptcy, insolvency, reorganization or other laws of general application affecting enforcement of creditors' rights and general principles of equity that restrict the availability of equitable remedies;

(d) No consent, approval, authorization, order or agreement of, or registration, filing or qualification with, or any other action by, any domestic or foreign federal, provincial, state, municipal or other governmental department, court, tribunal, commission or commissioner, bureau, minister or ministry, board or agency, or other regulatory authority, including any securities regulatory authority, self- regulatory authority or the TSX-V (each, a "**Governmental Authority**") or other person is required for the execution, delivery or performance of this Guarantee by the Guarantor; and

(e) Neither the entering into, delivery or performance of the Guarantee nor the completion of the transactions contemplated hereby by the Guarantor will: (i) conflict with or result in the violation or breach of any of the provisions of the articles or by-laws of the Guarantor, (ii) conflict with, or result in a breach or violation of any of the terms of, or constitute a default under, or result in the creation or imposition of any lien or right of any other person upon any assets of the Guarantor pursuant to any agreement or other instrument to which the Guarantor is a party or by which the Guarantor is bound or to which any of the assets of the Guarantor is subject, or (iii) result in the violation of any Law applicable to the Guarantor, with such exceptions, in the case of each of clauses (ii) and (iii) above, as would not impair or delay its ability to perform its obligations hereunder.

The representations and warranties of the Guarantor contained in this Guarantee shall survive until the termination of this Guarantee.

5.2 Investors' Representations

Each Investor, severally but not jointly, represents, warrants and covenants to the Guarantor, solely with respect to itself, and acknowledges that the Guarantor is relying thereon, that:

(a) it is an entity duly formed and validly existing under the laws of its jurisdiction of formation and has the requisite power and authority to own, lease and operate its properties and to conduct its business;

(b) it has all requisite legal and corporate power and authority to execute and deliver this Guarantee and to perform its obligations hereunder;

(c) it has duly authorized, executed and delivered this Guarantee, and, upon acceptance by the Guarantor, this Guarantee will constitute a valid and binding agreement of such Investor, enforceable against it in accordance with its terms, except as limited by applicable bankruptcy, insolvency, reorganization or other laws of general application affecting enforcement of creditors' rights and general principles of equity that restrict the availability of equitable remedies;

(d) no consent, approval, authorization, order or agreement of, or registration, filing or qualification with, or any other action by, any Governmental Authority or other person is required for the execution, delivery or performance of this Guarantee by it; and

(e) neither the entering into, delivery or performance of this Guarantee nor the completion of the transactions contemplated hereby by it will: (i) conflict with or result in the violation or breach of any of the provisions of its constating documents, (ii) conflict with, or result in a breach or violation of any of the terms of, or constitute a default under, or result in the creation or imposition of any lien or right of any other person upon any of its assets pursuant to any agreement or other instrument to which it is a party or by which it is bound or to which any of its assets is subject or (iii) result in the violation of any Law applicable to it, with such exceptions, in the case of each of clauses (ii) and (iii) above, as would not impair or delay its ability to perform its obligations hereunder.

The representations and warranties of each of the Investors contained in this Guarantee shall survive until the termination of this Guarantee.

ARTICLE 6
GENERAL

6.1 No Recourse Against Certain Persons

A director, officer, employee, shareholder or securityholder, as such, of the Guarantor shall not have any liability for any obligations of the Guarantor under this Guarantee or for any claim based on, in respect of or by reason of such obligations or its creation.

6.2 Notices

(a) Any demand, notice or other communication required or permitted to be given hereunder shall be in writing and shall be delivered in Person, transmitted by e- mail or similar means of recorded electronic communication (in which case it may be executed by electronic signatures and electronic pdf signatures (including by email or scanned pages)) or sent by registered mail, charges prepaid, addressed as follows:

To the Guarantor:

133 Richmond Street West, Suite 302
Toronto, ON M5H 2L3
Canada

Attention: Tamir Poleg, Chief Executive Officer
E-mail: *[redacted]*

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

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

Attention: Jason A. Saltzman
E-mail: *[redacted]*

To the Investors:

c/o Insight Partners
1114 Avenue of Americas, 36th Floor New York, NY 10036

Attention: Andrew Prodromos, Deputy General Counsel and Chief Compliance Officer
E-mail: [*redacted]*

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

Willkie Farr & Gallagher LLP
787 Seventh Avenue
New York, NY 10019

Attention: Robert A. Rizzo
E-mail: *[redacted]*

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

Stikeman Elliott LLP
5300 Commerce Court West
199 Bay Street
Toronto, ON M5L 1B9

Attention: Jonah Mann

E-mail: [*redacted]*

In the case of any other Investor, to the address of the Investor contained on the register of maintained by the Issuer.

(b) Any such notice or other communication shall be deemed to have been given and received on the day on which it was delivered or transmitted by email or personally by hand (or, if such day is not a Business Day or if delivery or transmission is made on a Business Day after 5:00 p.m. (Toronto time) at the place of receipt, then on the next following Business Day) or, if mailed by internationally recognized courier, on the Business Day following the date of mailing.

(c) Such addresses may be changed, from time to time, by means of a notice given in the manner provided in this Section 6.2.

6.3 Entire Agreement/Amendment

This Guarantee and the other Transaction Agreements contain the entire agreement of the parties and supersede all prior agreements between the parties relating to the subject matter hereof. There are no representations, warranties, covenants or other agreements between the parties relating to the subject matter hereof except as stated or referred to herein or in the Transaction Agreements.

No amendment to, or waiver of any provision of, this Guarantee will be valid or binding unless set forth in writing and executed by each Investor. No failure of any party to exercise and no delay by it in exercising any right, power or remedy in connection with this Guarantee shall operate as a waiver of that right, nor shall any single or partial exercise of any right preclude any other or further exercise of that right or the exercise of any other right.

6.4 Assignment

No party may assign, transfer or delegate its rights, benefits or obligations under this Guarantee without the prior written consent of the other parties; except that (a) the rights and obligations of an Investor hereunder may be assigned, transferred or otherwise granted, in whole or part, without the prior written consent of the Guarantor or other Investors by such Investor to any transferee to whom such Investor validly transfers any of its Preferred Units in accordance with the LLC Agreement provided such Investor shall cause such transferee to execute and deliver to the Guarantor an assumption agreement, in form reasonably satisfactory to the Guarantor, pursuant to which such transferee agrees to be bound by the terms and conditions of this Guarantee and provides the representations and warranties in Section 5.2 with respect to itself; and (b) the rights and obligations of the Guarantor hereunder may be assigned, transferred or otherwise granted upon prior written notice (email to be sufficient) to the Investors by the Guarantor to any purchaser or transferee of all or substantially all of the Guarantor's properties, securities and assets, in each case, provided that such assignee or transferee has assumed in full the obligations of the Guarantor and the Guarantor shall cause such assignee or transferee to execute and deliver to the Investors an assumption agreement, in form reasonably satisfactory to such parties, pursuant to which such assignee or transferee, as applicable, agrees to be bound by the terms and conditions of this Guarantee and provides the representations and warranties in Section 5.1 with respect to itself. Any other purported assignment, transfer or delegation other than in accordance with this Section 6.4 shall be null and void. The terms and provisions of this Guarantee shall be binding upon and enure to the benefit of the Guarantor and Investors and their respective successors and permitted assigns and, for greater certainty, a person shall cease to have any rights as an Investor hereunder upon the date on which all Preferred Units held by such person have been assigned, transferred, redeemed and/or exchanged for common shares in the capital of the Guarantor or any successor (as applicable) in accordance with their terms and all other sums, amounts and dividends, if any, outstanding with respect to such Preferred Units, or payable in respect of the Guaranteed Obligations, have been paid in full.

6.5 Further Assurances

Each party will, from time to time at the request of the other party, execute and deliver all such further documents and perform or cause to be performed such further acts or things as may be reasonably required to give full effect to, and carry out or better evidence or perfect the intent of, this Guarantee.

6.6 Time

Time is of the essence in the performance of obligations set forth in this Guarantee.

6.7 Costs

Except as provided in this Agreement, or as otherwise agreed by the parties in writing, including as provided in the LLC Agreement, all costs and expenses incurred in connection with this Guarantee and the transactions contemplated hereby will be paid by the party incurring such costs and expenses, whether or not any of the transactions contemplated hereby are consummated.

6.8 Governing Law; Submission

This Guarantee and all matters, claims or actions (whether at law, in equity, in contract, in tort or otherwise) based upon, arising out of or relating to this Guarantee or the negotiation, execution or performance of this Guarantee, shall be interpreted and enforced in accordance with, and the respective rights and obligations of the parties shall be governed by, the laws of the State of Delaware applicable to contracts executed in and to be performed entirely within that State, regardless of the laws that might otherwise govern under any applicable conflict of laws principles.

All matters, claims or actions arising out of or relating to this Guarantee shall be heard and determined in the Chancery Court of the State of Delaware (or, if the Chancery Court of the State of Delaware declines to accept jurisdiction over any matter, claim or action, any state or federal court within the State of Delaware) and appellate courts therefrom and the parties hereto hereby irrevocably submit to the exclusive jurisdiction and venue of such courts in any such matter, claim or action and irrevocably waive the defense of an inconvenient forum or lack of jurisdiction to the maintenance of any such matter, claim or action. The consents to jurisdiction and venue set forth in this Section 6.8 shall not constitute general consents to service of process in the State of Delaware, shall have no effect for any purpose except as provided in this Section 6.8 and shall not be deemed to confer rights on any person other than the parties hereto. Each party hereto agrees that service of process upon such party in any matter, claim or action arising out of or relating to this Guarantee shall be effective if notice is given by overnight courier, with a copy by e-mail, at the address set forth in Section 6.2 of this Guarantee. The parties hereto agree that a final judgment in any such matter, claim or action shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by applicable Law; provided that, nothing in the foregoing shall restrict any party's rights to seek any post-judgment relief regarding, or any appeal from, a final trial court judgment.

EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS GUARANTEE IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE IT HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY MATTER, CLAIM OR ACTION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS GUARANTEE AND ANY OF THE AGREEMENTS DELIVERED IN CONNECTION HEREWITH OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (A) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF ANY MATTER, CLAIM OR ACTION, SEEK TO ENFORCE THE FOREGOING WAIVER, (B) IT UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF SUCH WAIVER, (C) IT MAKES SUCH WAIVER VOLUNTARILY AND (D) IT HAS BEEN INDUCED TO ENTER INTO THIS GUARANTEE BY, AMONG OTHER THINGS, THE MUTUAL WAIVER AND CERTIFICATIONS IN THIS SECTION 6.8.

6.9 Severance

If any term of this Guarantee is or becomes illegal, invalid or unenforceable in any jurisdiction, that shall not affect the legality, validity or enforceability in that jurisdiction of any other term of this Guarantee or the legality, validity or enforceability in other jurisdictions of that or any other provision of this Guarantee. The parties shall use all reasonable endeavours to replace any provision held to be illegal, invalid or unenforceable with a legal, valid and enforceable substitute provision the effect of which is as close as possible to the intended effect of the invalid provision.

6.10 Counterparts; Electronic Delivery

This Guarantee and all documents contemplated by or delivered under or in connection with this Guarantee may be executed and delivered in any number of counterparts (including by email or scanned pages), with the same effect as if all parties had signed and delivered the same document, and all counterparts shall be construed together to be an original and will constitute one and the same agreement. Electronic signatures (including DocuSign) and electronic pdf signatures (including by email or scanned pages) shall be acceptable as a means of executing such documents.

6.11 Several Obligations

The obligations of each Investor under this Guarantee shall be several, and not joint.

6.12 Non-Recourse

Notwithstanding anything to the contrary in this Guarantee, (a) this Guarantee may only be enforced against, and any action, dispute, claim, suit or other proceeding for breach of this Guarantee may only be made against, the Persons that are expressly identified herein and/or are parties hereto, (b) none of the former, current and future Affiliates, directors, officers, managers, employees, advisors, representatives, shareholders, members, managers, partners, successors and assigns of the Investors or any Affiliate thereof or any former, current and future Affiliate, director, officer, manager, employee, advisor, representative, shareholder, member, manager, partner, successor and assign of any of the foregoing (collectively, "Investor Related Parties") shall have any liability for any liabilities or obligations of the parties hereto for any action, dispute, claim, suit or other proceeding (whether in tort, contract or otherwise) for breach of this Guarantee or in respect of any representations made or alleged to be made in connection herewith, (c) the Guarantor and its Affiliates shall have no rights of recovery in respect hereof against any Investor Related Party and (d) no personal liability shall attach to any Investor Related Party through the Investors or otherwise, whether by or through attempted piercing of the corporate veil, by or through an action, dispute, claim, suit or other proceeding (whether in tort, contract or otherwise), by the enforcement of any judgment, fine or penalty or by virtue of any statute, regulation or other applicable Law, or otherwise; provided that, for the avoidance of doubt, nothing in this Section 6.12 shall restrict or limit the rights or obligations of a Person under any other Transaction Agreement to which such Person is a party.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF the parties have duly executed this Guarantee as of the date first written above.

THE REAL BROKERAGE INC.

Per*:* *signed "Tamir Poleg"*
Name: Tamir Poleg
Title: Chief Executive Officer

REAL PIPE, LLC

Per*:* *signed "Michelle Ressler"*
Name: Michelle Ressler
Title: Manager

INSIGHT PARTNERS XI, L.P.
Insight Associates XI, L.P., its general partner
Insight Associates XI, Ltd., its general partner

Per: *signed "Andrew Prodromos"*
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS (CAYMAN) XI, L.P.

Insight Associates XI, L.P., its general partner
Insight Associates XI, Ltd., its general partner

Per: *signed "Andrew Prodromos"*
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS XI (CO-INVESTORS), L.P.
Insight Associates XI, L.P., its general partner
Insight Associates XI, Ltd., its general partner

Per: *signed "Andrew Prodromos"*
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS XI (CO-INVESTORS) (B), L.P.

Insight Associates XI, L.P., its general partner
Insight Associates XI, Ltd., its general partner

Per: *signed "Andrew Prodromos"*
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS (DELAWARE) XI, L.P.
Insight Associates XI, L.P., its general partner
Insight Associates XI, Ltd., its general partner

Per: *signed "Andrew Prodromos"*
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS (EU) XI, S.C.Sp.
Insight Associates (EU) XI, S.a.r.l., its general partner

Per: *signed "Andrew Prodromos"*
Name: Andrew Prodromos
Title: Authorized Officer

Schedule "A"

INVESTORS

INSIGHT PARTNERS XI, L.P.

INSIGHT PARTNERS (CAYMAN) XI, L.P.

INSIGHT PARTNERS XI (CO-INVESTORS), L.P.

INSIGHT PARTNERS XI (CO-INVESTORS) (B), L.P.

INSIGHT PARTNERS (DELAWARE) XI, L.P.

INSIGHT PARTNERS (EU) XI, S.C.Sp

EXHIBIT C

INVESTOR RIGHTS AGREEMENT

Execution Version

THE REAL BROKERAGE INC.

and

REAL PIPE, LLC

and

INSIGHT PARTNERS XI, L.P.

and

INSIGHT PARTNERS (CAYMAN) XI, L.P.

and

INSIGHT PARTNERS XI (CO-INVESTORS), L.P.

and

INSIGHT PARTNERS XI (CO-INVESTORS) (B), L.P.

and

INSIGHT PARTNERS (DELAWARE) XI, L.P.

and

INSIGHT PARTNERS (EU) XI, S.C.Sp.

INVESTOR RIGHTS AGREEMENT

December 2, 2020

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INVESTOR RIGHTS AGREEMENT

THIS AGREEMENT made the 2nd day of December, 2020, among Insight Partners XI, L.P., a limited partnership existing under the laws of the Cayman Islands, Insight Partners (Cayman) XI, L.P., a limited partnership existing under the laws of the Cayman Islands, Insight Partners XI (Co-Investors), L.P., a limited partnership existing under the laws of the Cayman Islands, Insight Partners XI (Co-Investors) (B), L.P., a limited partnership existing under the laws of the Cayman Islands, Insight Partners (Delaware) XI, L.P., a limited partnership existing under the laws of the State of Delaware, Insight Partners (EU) XI, S.C.Sp., a special limited partnership existing under the laws of Luxembourg, (collectively, hereinafter referred to as the "**Investors**"), The Real Brokerage Inc., a corporation existing under the laws of the Province of British Columbia, (hereinafter referred to as "**Real**") and Real PIPE, LLC, a limited liability company existing under the laws of the State of Delaware, (hereinafter referred to as the "**Issuer**").

WHEREAS, as of the date hereof, none of the Investors beneficially owns or controls any Common Shares (as defined below);

AND WHEREAS Real, the Issuer and the Investors have entered into a securities subscription agreement dated as of the date hereof (the "**Subscription Agreement**") pursuant to which the Investors agreed to subscribe for the Purchased Securities (as defined below);

AND WHEREAS in connection with the sharing of Confidential Information (as defined below) and the Investors' information rights pursuant to Section 4.6 herein, respectively, the investment by each Investor and the continuing involvement of the Investors and Investors' Affiliates (as defined below) in the business and affairs of Real and its Subsidiaries (as defined below) is considered to be strategic to the business and affairs of Real and its Subsidiaries;

AND WHEREAS in connection with the Investors' subscription pursuant to the Subscription Agreement, each of the Issuer and Real has agreed to grant certain rights set out herein to the Investors, on the terms set out herein;

NOW THEREFORE THIS AGREEMENT WITNESSES THAT, in consideration of the respective covenants and agreements of the parties herein contained and for other good and valuable consideration (the receipt and sufficiency of which are acknowledged by each party), the parties agree as follows:

ARTICLE 1

Section 1.1 Defined Terms

For the purposes of this Agreement, the following terms shall have the respective meanings set out below and grammatical variations of such terms shall have corresponding meanings:

"**Accrued Distributions**" means the distributions that have accrued in connection with the Preferred Units in accordance with the LLC Agreement;

"**Act**" means the *Business Corporations Act* (British Columbia);

"**Affiliate**" means a Person that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the Person specified; provided, however, that Real and its Subsidiaries shall not be deemed to be Affiliates of any of the Investors or any of their respective Affiliates. For the purposes of this definition, "**control**" when used with respect to any Person, means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract, or otherwise;

"**Applicable Stock Exchange**" means any Canadian or United States nationally recognized stock exchange on which Real's Common Shares are listed or on which Real has applied or does apply to list the Common Shares;

"**Approved Change of Control Transaction**" means a proposed Change of Control Transaction which has been approved by a majority of the independent members of the Board of Directors and, if applicable, publicly recommended for acceptance or approval by shareholders of Real by the Board of Directors;

"**As-Exchanged Ownership**" means, as at any date, with respect to a Person the aggregate interest of such Person and its Affiliates calculated as a percentage, (a) the numerator of which shall be the sum of (i) the number of Exchange Common Shares for which the Preferred Units beneficially owned or controlled by such Person and its Affiliates at the relevant date are exchangeable, plus (ii) the number of Common Shares beneficially owned or controlled by such Person and its Affiliates, including as a result of the exchange of the Preferred Units, or exercise of the Warrants or the Participation Right, at the relevant date (including any Common Shares underlying any Convertible Securities beneficially owned or controlled by such Person or its Affiliates as a result of exercise of the Participation Right); and (b) the denominator of which shall be the sum of the number of Common Shares issued and outstanding as at such relevant date plus the number of Exchange Common Shares for which the Preferred Units beneficially owned or controlled by such Person and its Affiliates at the relevant date are exchangeable;

"**Base Shelf Prospectus**" has the meaning ascribed thereto in National Instrument 44- 102 – Shelf Distributions;

"**Beneficial Ownership Requirement**" means, as at any date, that the Investors and their Affiliates beneficially own or control, directly and/or indirectly, in the aggregate, (a) such number of Preferred Units, Warrants and/or Common Shares (including Common Shares owned or controlled as a result of the exchange of any Preferred Units or the exercise of any Warrants or the Participation Right) that is equal to at least 2% of the number of Common Shares issued and outstanding as at such relevant date, or (b) Preferred Units, Warrants and/or Common Shares (including Common Shares owned or controlled as a result of the exchange of any Preferred Units, or the exercise of any Warrants or the Participation Right) with a Fair Market Value that is equal to at least $10 million as at such relevant date; for the avoidance of doubt, the calculations in each of (a) and (b) will be calculated as if any such Preferred Units and/or Warrants beneficially owned or controlled by the Investors or any of its Affiliates as at the relevant date had been exchanged and/or exercised for Exchange Common Shares in accordance with the terms of the Exchange Agreement and the LLC Agreement or the Warrant Certificate, as applicable, immediately prior to such relevant date, and in respect of (b), the Beneficial Ownership Requirement will only be considered not to be satisfied when the Fair Market Value of such securities is below the threshold for a period of 30 consecutive trading days;

"**Board of Directors**" or "**Board**" means the board of directors of Real;

"**Business Day**" means any day, other than (a) a Saturday, Sunday or statutory holiday in the Province of Ontario or the State of New York or (b) a day on which banks are generally closed in the Province of Ontario or the State of New York;

"**Business Opportunities Exempt Party**" has the meaning given to such term in Section 2.1(9);

"**Canadian Securities Acts**" means the applicable securities legislation of each of the provinces and territories of Canada and all published regulations, policy statements, Orders, rules, instruments, rulings and interpretation notes issued thereunder or in relation thereto, as the same may hereafter be amended from time to time or replaced;

"**Canadian Securities Commissions**" means the securities commissions or similar securities regulatory authorities in each of the provinces and territories of Canada;

"**Change of Control Transaction**" shall mean the occurrence of any of the following:

(a) (i) the direct or indirect sale, lease, transfer, conveyance or other disposition, in one or a series of related transactions, of all or substantially all of the properties or assets of Real and its Subsidiaries, taken as a whole, to any Person (other than to Real or to any wholly-owned Subsidiary of Real), or (ii) a plan or scheme of arrangement, merger, amalgamation, consolidation, share sale or other transaction or series of related transactions, in which all or substantially all of the Common Shares are exchanged for, converted into, acquired for, or constitute solely the right to receive, other securities, cash or other property, that would result in the Persons who beneficially own, directly or indirectly, 100% of the issued and outstanding Common Shares (including any Common Shares or other voting shares of Real that would be beneficially owned by such Persons on an as- converted, as-exercised or as-exchanged basis) as of immediately prior to such transaction ceasing to beneficially own, directly or indirectly, at least a majority of the outstanding Common Shares or outstanding common equity securities of the surviving entity (including any Common Shares, common equity securities or voting shares that would be beneficially owned by such Persons on an as- converted, as-exercised or as-exchanged basis) immediately following the completion of such transaction or series of related transactions; or

(b) the consummation of any transaction or series of related transactions (including pursuant to a merger, amalgamation or consolidation), the result of which is that any Person, including any Persons acting jointly or in concert with such Person, becomes the beneficial owner, directly or indirectly, of shares of Real's common equity representing more than 50% of the voting power of all of Real's then- outstanding common equity (including any common equity beneficially owned by such Person on an as-converted, as-exercised or as-exchanged basis);

"**Code**" means the Internal Revenue Code of 1986, as amended;

"**Common Shares**" means the common shares in the capital of Real;

"**Confidential Information**" means, subject to Section 4.5(4), any and all information, in any form or medium, written or oral, whether concerning or relating to Real, its Subsidiaries, or its and their respective officers and employees (whether prepared by Real or on behalf of Real or otherwise, and irrespective of the form or means of communication) that is furnished to the Investors or their Representatives by or on behalf of Real at any time, whether before, upon or after the execution of this Agreement, including all oral and written information relating to financial statements, projections, evaluations, plans, programs, customers, suppliers, facilities, equipment and other assets, products, processes, manufacturing, marketing, research and development, trade secrets, know- how, patent applications that have not been published, technology and intellectual property of Real and its Subsidiaries. "**Confidential Information**" shall be deemed to include the portion of all notes, analyses, studies, interpretations, memoranda and other documents, material or reports (in any form or medium) prepared by the Investors and their Representatives that contain, reflect or are based upon, in whole or part, the information furnished to or on behalf of Real;

"**Convertible Securities**" means securities which are exercisable for, convertible into or exchangeable for Common Shares;

"**Exchange Agreement**" means the exchange and support agreement entered into among the Investors, Real and the Issuer on the date hereof as amended, supplemented, restated, converted, exchanged or replaced from time to time;

"**Exchange Common Shares**" means the Common Shares issuable or deliverable to the Investors upon exchange and/or exercise of the Purchased Securities in accordance with the Exchange Agreement and the LLC Agreement or the terms of the Warrant Certificate, as applicable;

"**Exempt Issuance**" means the issuance by Real of Common Shares or Convertible Securities: (a) as full or partial consideration to any third party sellers in connection with any merger, business combination or similar transaction, tender offer, exchange offer, formal take-over bid, statutory amalgamation, statutory arrangement or other statutory procedure, or purchase of the securities or assets of a corporation or other entity (but, for the avoidance of doubt, not including any equity financing transaction undertaken for the purpose of funding any cash consideration payable in connection with any merger, business combination or similar transaction, tender offer, exchange offer, formal take-over bid, statutory amalgamation, statutory arrangement or other statutory procedure, or purchase of the securities or assets of a corporation or other entity); (b) pursuant to a rights offering by Real to all of its securityholders; (c) upon the exercise, exchange or conversion of any Convertible Securities that were issued as part of a Subsequent Offering that was offered to the Investors in accordance with Section 3.1, to the extent required by that section; (d) pursuant to employee, officer, consultant, advisor, director or advisory board compensation arrangements, including stock option or other equity based compensation plans, in each case, that have been approved by the Board of Directors; (e) as a result of the consolidation or subdivision of any securities of Real or its Subsidiaries, or as special distributions, stock dividends or payments in kind or similar transaction; (f) pursuant to a shareholder rights plan approved by a majority of the disinterested members of the Board of Directors; or (g) to the Investors or their Affiliates.

"**Exercise Notice**" has the meaning given to such term in Section 3.1(3);

"**Exercise Notice Period**" has the meaning given to such term in Section 3.1(3);

"**Extraordinary Transaction**" has the meaning given to such term in Section 4.2(1)(c);

"**Fair Market Value**" means the closing price of the Common Shares on the Applicable Stock Exchange on the trading day immediately preceding the relevant date. If the Common Shares are trading on more than one Applicable Stock Exchange, then the price information used to determine the Fair Market Value shall be the price information in respect of the Applicable Stock Exchange on which the aggregate trading volume was the highest as of such date;

"**Governmental Entity**" means any domestic or foreign federal, provincial, regional, state, municipal, local or other government, governmental department, agency, arbitrator, authority or body (whether administrative, legislative, executive or otherwise), court, tribunal, commission or commissioner, bureau, minister or ministry, board or agency, or other regulatory or self-regulatory authority, including any securities regulatory authorities and stock exchange including any Applicable Stock Exchange and any other exchange on which the securities of Real are listed or posted for trading;

"Guarantee Agreement" means guarantee agreement dated the date hereof among Real and the Investors;

"**IFRS**" means International Financial Reporting Standards;

"**Investors**" has the meaning given to such term in the recitals hereto;

"**Investor Group**" has the meaning given to such term in Section 5.10;

"**Investor Members**" means (a) the Investors, (b) any Affiliate of any Investor that, after the date hereof, acquires Registrable Shares, Preferred Units or Warrants in accordance with the terms hereof, and (c) any other transferee of any of the foregoing Persons to whom Preferred Units are distributed or transferred in accordance with Section 4.3 or to whom Registrable Shares or Warrants are distributed or transferred, in each case of this clause (c) to the extent such transferee is a permitted assignee pursuant to Section 5.3;

"**Investor Nominee**" has the meaning given to such term in Section 2.1(1);

"**Investor Related Parties**" has the meaning given to such term in Section 5.9;

"**Issuer**" has the meaning given to such term in the recitals hereto;

"**Laws**" means any and all federal, state, provincial, regional, national, foreign, local, municipal or other laws, statutes, acts, treaties, constitutions, principles of common law, resolutions, ordinances, proclamations, directives, codes, edicts, Orders, rules, regulations, rulings or requirements or other legally binding directives or guidance issued, enacted, adopted, promulgated, implemented or otherwise put into effect by or under the authority of any Governmental Entity and includes Securities Laws;

"**Liquidation**" means, in respect of an entity, a liquidation, winding up or dissolution of such entity;

"**LLC Agreement**" means the amended and restated limited liability company agreement of the Issuer, dated as of the date hereof, as amended, supplemented, restated, converted, exchanged or replaced from time to time;

"**Management Nominees**" has the meaning given to such term in Section 2.1(2);

"**MI 61-101**" means Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*;

"**Nomination Conditions**" has the meaning given to such term in Section 2.1(1);

"**NP 51-201**" means National Policy 51-201 – *Disclosure Standards*;

"**Order**" means any judgment, decision, decree, injunction, ruling, writ, assessment or order of any Governmental Entity that is binding on any Person or its property under applicable Law;

"**Ownership Certificate**" has the meaning given to such term in Section 4.4;

"**Participation Right**" has the meaning given to such term in Section 3.1(2);

"**Permitted Transferee**" means with respect to any Person (i) any family member of such Person and (ii) any Affiliate of such Person (including any partner, shareholder, member of Affiliated investment fund or vehicle of such Person).

"**Person**" means and includes any individual, corporation, limited partnership, general partnership, joint stock company, limited liability company, joint venture, association, company, trust, bank, trust company, pension fund, business trust or other organization, whether or not a legal entity and any Governmental Entity;

"**PFIC**" has the meaning given to such term in Section 4.8;

"**Preferred Units**" means the Preferred Units of the Issuer having the powers, preferences, rights, qualifications, limitations and restrictions set forth in the LLC Agreement;

"**Prospectus**" means, as the context requires, a "**preliminary prospectus,**" "**amended and restated preliminary prospectus**" and a "**final prospectus**" as those terms are used in the applicable *Canadian Securities Act* and a Prospectus Supplement (together with the corresponding Base Shelf Prospectus), including all amendments and supplements thereto;

"**Prospectus Supplement**" has the meaning ascribed to "shelf prospectus supplement" in National Instrument 44-102 – *Shelf Distributions*;

"**Purchased Securities**" means the 17,286,842 Preferred Units and the 17,286,842 Warrants issued to the Investors pursuant to the Subscription Agreement;

"**Real**" has the meaning given to such term in the recitals hereto;

"**Registrable Shares**" means any Common Shares that any Investor Member has acquired or has the right to acquire upon exchange or exercise, as applicable, of the Purchased Securities or upon the exercise of the Participation Right; provided that all Common Shares directly or indirectly issued or issuable with respect to any of the foregoing by way of share dividend or share split or in connection with a combination of shares, recapitalization, merger, consolidation or other reorganization shall also be deemed Registrable Shares;

"**Registration**" means the qualification under U.S. Securities Laws or any of the Canadian Securities Acts of the distribution of Registrable Shares, as a secondary offering, to the public (a) in any or all of the states of the United States pursuant to a registration statement in compliance with U.S. Securities Laws, or (b) in any or all of the provinces and territories of Canada pursuant to a Prospectus in compliance with the Canadian Securities Acts;

"**Registration Rights Agreement**" means the registration rights agreement dated as of the date hereof among Real, the Issuer and the Investors;

"**Reporting Jurisdictions**" means the Provinces of British Columbia, Ontario and Alberta;

"**Representatives**" means the directors, officers, general and current or prospective limited partners, managers, members, employees, advisors, agents, insurers (including brokers and re- insurers), equityholders, actual or potential sources of debt or equity financing and other representatives (including attorneys, accountants, consultants and financial advisors), in each case, of the Investors and their Affiliates, any Investor Nominee and, solely with respect to Section 4.5, any *bona fide* prospective purchaser of Registrable Shares, Preferred Units or Warrants;

"**Restricted Period**" means the period beginning on the date hereof and terminating on the date that is the first anniversary of the date hereof;

"**Securities Laws**" means the Canadian Securities Acts, the U.S. Securities Act and the U.S. Exchange Act;

"**Standstill Period**" means the period beginning on the date hereof and terminating on the later to occur of: (a) the date that is 12 months after the date hereof; and (b) the date on which no Investor Nominee serves as a director on the Board of Directors;

"**Subscription Agreement**" has the meaning given to such term in the recitals hereto;

"**Subsequent Offering**" has the meaning given to such term in Section 3.1(1);

"**Subsequent Offering Notice**" has the meaning given to such term in Section 3.1(1);

"**Subsidiary**" means, as to any Person, any corporation or other entity of which: (a) such Person or a Subsidiary of such Person is a general partner or, in the case of a limited liability company, the managing member or manager thereof; (b) at least a majority of the outstanding equity interest having by the terms thereof ordinary voting power to elect a majority of the board of directors or similar governing body of such corporation or other entity (irrespective of whether or not at the time any equity interest of any other class or classes of such corporation or other entity shall have or might have voting power by reason of the happening of any contingency) is at the time directly or indirectly owned or controlled by such Person or one or more of its Subsidiaries; or (c) any corporation or other entity as to which such Person consolidates for accounting purposes;

"**Termination Date**" has the meaning given to it in Section 2.2;

"**Transaction Agreements**" means this Agreement, the LLC Agreement, the Subscription Agreement, the Exchange Agreement, the Guarantee Agreement, the Registration Rights Agreement and the Warrant Certificate;

"**Transfer**" includes any direct or indirect transfer, sale, assignment, gift, pledge, encumbrance, hypothecation, mortgage, granting of any option, right or warrant to purchase (including any short sale, put option or call option) or other disposition; provided that, notwithstanding the foregoing, neither (i) any direct or indirect Transfer of a partnership interest in a private equity or similar investment fund that, when aggregated with its parallel funds and alternative investment vehicles, is established to make investments in multiple portfolio companies and not primarily to invest in Parent nor (ii) a direct or indirect transfer, sale, pledge, hedge, encumbrance or hypothecation or other disposition, or legally binding agreement to undertake any of the foregoing, of any interest in any Investor, shall constitute a "**Transfer**" for purposes of this Agreement;

"**United States**" means the United States of America, its territories and possessions, any State of the United States, and the District of Columbia;

"**U.S. Exchange Act**" means the United States Securities Exchange Act of 1934;

"**U.S. Securities Act**" means the United States Securities Act of 1933;

"**U.S. Securities Laws**" means the U.S. Exchange Act and the U.S. Securities Act;

"**Warrant Certificate**" means the warrant certificates dated as of the date hereof among Real and the Investors;

"**Warrants**" means the Warrants of Real having the rights and restrictions set forth in the Warrant Certificate.

Section 1.2 Defined Terms in the LLC Agreement

Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to such terms in the LLC Agreement as in effect on the date hereof.

Section 1.3 Rules of Construction

Except as may be otherwise specifically provided in this Agreement and unless the context otherwise requires, in this Agreement:

(a) the terms "Agreement", "this Agreement", "the Agreement", "hereto", "hereof", "herein", "hereby", "hereunder" and similar expressions refer to this Agreement in its entirety and not to any particular provision hereof and include any schedules or exhibits thereto;

(b) references to an "Article" or "Section" followed by a number or letter refer to the specified Article or Section to this Agreement;

(c) the division of this Agreement into articles and sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement;

(d) words importing the singular number only shall include the plural and vice versa and words importing the use of any gender shall include all genders;

(e) the word “including” is deemed to mean “including without limitation”;

(f) the terms “party” and “the parties” refer to a party or the parties to this Agreement;

(g) any reference to this Agreement means this Agreement as amended, modified, replaced or supplemented from time to time;

(h) any reference to a statute, regulation or rule shall be construed to be a reference thereto as the same may from time to time be amended, re-enacted or replaced, and any reference to a statute shall include any regulations or rules made thereunder;

(i) all dollar amounts refer to currency of Canada;

(j) the word “day” means calendar day unless Business Day is expressly specified;

(k) any time period within which a payment is to be made or any other action is to be taken hereunder shall be calculated excluding the day on which the period commences and including the day on which the period ends; and

(l) whenever any action is required to be taken or period of time is to expire on a day other than a Business Day, such action shall be taken or period shall expire on the next following Business Day.

Section 1.4 Entire Agreement

The Transaction Agreements constitute the entire agreement between the parties with respect to the subject matter hereof and thereof and supersede all prior agreements, understandings, negotiations and discussions, whether written or oral. There are no conditions, covenants, agreements, representations, warranties or other provisions, express or implied, collateral, statutory or otherwise, relating to the subject matter hereof except as provided in the Transaction Agreements.

Section 1.5 Time of Essence

Time shall be of the essence of this Agreement.

Section 1.6 Governing Law and Submission to Jurisdiction

(1) This Agreement and all matters, claims or actions (whether at law, in equity, in contract, in tort or otherwise) based upon, arising out of or relating to this Agreement or the negotiation, execution or performance of this Agreement, shall be interpreted and enforced in accordance with, and the respective rights and obligations of the parties shall be governed by, the laws of the State of Delaware applicable to contracts executed in and to be performed entirely within that State, regardless of the Laws that might otherwise govern under any applicable conflict of Laws principles.

(2) All matters, claims or actions arising out of or relating to this Agreement shall be heard and determined in the Chancery Court of the State of Delaware (or, if the Chancery Court of the State of Delaware declines to accept jurisdiction over any matter, claim or action, any state or federal court within the State of Delaware) and appellate courts therefrom and the parties hereto hereby irrevocably submit to the exclusive jurisdiction and venue of such courts in any such matter, claim or action and irrevocably waive the defense of an inconvenient forum or lack of jurisdiction to the maintenance of any such matter, claim or action. The consents to jurisdiction and venue set forth in this Section 1.6(2) shall not constitute general consents to service of process in the State of Delaware, shall have no effect for any purpose except as provided in this Section 1.6(2) and shall not be deemed to confer rights on any Person other than the parties hereto. Each party hereto agrees that service of process upon such party in any matter, claim or action arising out of or relating to this Agreement shall be effective if notice is given by overnight courier, with a copy by e-mail, at the address set forth in Section 5.1 of this Agreement. The parties hereto agree that a final judgment in any such matter, claim or action shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by applicable Law; provided that, nothing in the foregoing shall restrict any party's rights to seek any post-judgment relief regarding, or any appeal from, a final trial court judgment.

(3) EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE IT HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY MATTER, CLAIM OR ACTION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT AND ANY OF THE AGREEMENTS DELIVERED IN CONNECTION HEREWITH OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (A) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF ANY MATTER, CLAIM OR ACTION, SEEK TO ENFORCE THE FOREGOING WAIVER, (B) IT UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF SUCH WAIVER, (C) IT MAKES SUCH WAIVER VOLUNTARILY AND

(D) IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVER AND CERTIFICATIONS IN THIS SECTION 1.6(3).

Section 1.7 Severability

If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, all other provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party hereto. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties hereto as closely as possible in an acceptable manner to the end that transactions contemplated hereby are fulfilled to the extent possible.

Section 1.8 Certain Terminology

For the purposes of this Agreement, the terms and phrases "acting jointly or in concert", "beneficial ownership", "take-over bid" and "issuer bid" (or grammatical variations thereof) shall have the meanings given to them under applicable Canadian Securities Acts and "take-over bid" shall include a tender offer or exchange offer conducted pursuant to applicable U.S. Securities Laws.

ARTICLE 2
BOARD NOMINATION RIGHTS

Section 2.1 Board of Directors Nominees

(1) Subject to Section 2.2, the Investors (acting together) shall be entitled to designate one nominee (an "**Investor Nominee**") for appointment or election to the Board of Directors, for so long as the Beneficial Ownership Requirement is satisfied. The Investor Nominee must be an individual who meets the qualification requirements to serve as a director under the Act, applicable Laws and the rules of the Applicable Stock Exchange (the "**Nomination Conditions**") and must be acceptable to the Board of Directors, acting reasonably. The parties acknowledge that the size of the Board of Directors has been increased to five as of date hereof. The parties also acknowledge that the initial Investor Nominee is AJ Malhotra, who has been determined to be acceptable to the Board of Directors and has been appointed to the Board of Directors, in each case as of the date hereof. Notwithstanding anything to the contrary in this Agreement, if at any time (a) an Investor Nominee ceases to satisfy any of the Nomination Conditions; or (b) the Beneficial Ownership Requirement is no longer satisfied, the Investors shall, at the request of Real, cause the Investor Nominee to tender his or her resignation from the Board of Directors. As a condition to the appointment of an Investor Nominee to the Board of Directors pursuant to this Section 2.1(1), the Investors shall, and shall cause such Investor Nominee to, provide Real, prior to such appointment and nomination and on an on-going basis while serving as a member of the Board of Directors an executed irrevocable resignation in substantially the form attached as Exhibit A hereto, as well as such information and materials as Real is entitled to receive from a member of its Board of Directors and as are required to be disclosed in any management information circular of Real to be sent to securityholders of Real under applicable Laws or Applicable Stock Exchange rules or as Real may request from time-to-time from members of the Board of Directors in compliance with its internal policies and procedures including, an executed consent to serve as a director of Real, a completed directors' questionnaire in the form provided by Real and a completed personal information form.

(2) Real shall and shall cause its Representatives to use their reasonable best efforts to ensure that the Investor Nominee is appointed or elected to the Board of Directors, including by (i) recommending and reflecting such recommendation in any management information circular relating to any meeting where directors of Real are elected (or submit to shareholders by written consent, if applicable) that the shareholders of Real vote to elect the Investor Nominee to the Board of Directors for a term of office expiring at the earlier of when the Investor Nominee ceases to hold office under Section 128(1) of the Act and the closing of the subsequent annual meeting of the shareholders of Real; and (ii) soliciting and obtaining proxies in favour of and otherwise supporting his or her election, each in a manner no less rigorous and favourable than the manner in which Real supports its own nominees selected by the Board of Directors (the "**Management Nominees**") for election to the Board of Directors.

(3) The Investors shall advise Real of the identity of the Investor Nominee by the earlier of (i) at least 60 days prior to any meeting of shareholders at which directors of Real are to be elected or (ii) within 10 days of being notified of the record date for such a meeting. If the Investors do not advise Real of the identity of an Investor Nominee prior to such deadline, then the Investors will be deemed to have nominated its incumbent nominee unless the Investors notify Real in writing that it does not wish to nominate an Investor Nominee for such election.

(4) In the event that an Investor Nominee is not duly appointed or elected to the Board of Directors or shall cease to serve as a director of Real, whether due to such Investor Nominee's death, disability, resignation or removal (including failure to be elected by Real's shareholders or being required to resign), Real shall cause the Board of Directors to promptly appoint an Investor Nominee designated by the Investors to fill the vacancy created by such death, disability, resignation or removal, or, where the first Investor Nominee was not duly elected, to promptly increase the size of the Board of Directors and fill the vacancy thereby with an Investor Nominee, provided that the Investors remain eligible to designate an Investor Nominee in accordance with Section 2.1(1) and that the replacement Investor Nominee meets the qualification requirements to serve as a director under the Act and the rules of the Applicable Stock Exchange.

(5) Without limitation of Section 2.1(7), the Investor Nominee shall be reimbursed for all reasonable out-of-pocket expenses incurred while and in connection with such Investor Nominee's services as a member of Board of Directors, and, except to the extent the Investors may otherwise notify Real, the Investor Nominee shall be entitled to compensation consistent with the compensation received by other non-employee members of the Board of Directors, including any director fees and equity awards provided, that (x) to the extent any director compensation is payable in the form of equity awards at the election of the Investor Nominee, in lieu of any equity award, such compensation shall be paid in an amount of cash equal to the value of the equity award as of the date of the award, with any such cash subject to the same vesting terms, if any, as the equity awarded to other directors and (y) at the election of the Investor Nominee, any director compensation (whether cash, equity awards and/or cash in lieu of equity as may be designated by the Investor Nominee) shall be paid to the Investors or any Affiliate thereof specified by the Investors rather than to the Investor Nominee. If Real adopts a policy that directors are required to own a minimum amount of equity in Real in order to qualify as a director of Real, then the securities of Real that are held by the Investors and their Affiliates will be deemed to be held by the Investor Nominee for purposes of such policy.

(6) It is acknowledged by the Investors that the Investor Nominee will be required to comply with all of Real's policies, procedures, processes, codes, rules, standards and guidelines of Real that are provided to the Investor Nominee in writing and that are generally applicable to all members of the Board of Directors from time to time, including Real's confidentiality policies and procedures, code of business conduct and ethics, insider trading policies and corporate governance guidelines.

(7) The Investor Nominee shall be entitled to the same rights and privileges and shall be subject to the same obligations applicable to all other members of the Board of Directors generally or to which all such members of the Board of Directors are entitled or subject; provided, however, that such Investor Nominee shall not be entitled to participate in or observe, and shall upon the good faith request of the Board of Directors or any such committee recuse himself or herself from, any meeting or portion thereof at which the Board of Directors or any such committee is evaluating and/or taking action with respect to Real's rights or enforcement of any of the obligations of the Investors under this Agreement or any transactions involving the Investor and/or any of its Affiliates. In furtherance of the foregoing, Real shall enter into an indemnification agreement with the Investor Nominee in a form substantially similar to Real's form of director indemnification agreement and provide the Investor Nominee with director and officer insurance to the same extent it indemnifies and provides insurance for the other members of the Board of Directors pursuant to the constating documents of Real, applicable Laws or otherwise. Real shall maintain in effect any such director and officer insurance in accordance with past practice and comparable with peer companies in the same industry. Real acknowledges and agrees that it shall be the indemnitor of first resort with respect to any indemnification, advancement of expenses and/or insurance provided for in Real's constating documents and/or any indemnification agreement entered into between Real and the Investor Nominee, as applicable (such that Real's obligations to such indemnitee are primary).

(8) So long as the Investors are entitled to designate an Investor Nominee, the prior written consent of the Investors shall be required to adopt any additional qualifications of a director to be imposed upon an Investor Nominee, other than those required by the Act, applicable Law, Real's constating documents and Applicable Stock Exchange rules as in effect on the date hereof or those generally applicable to all directors.

(9) To the maximum extent permitted by Law, Real renounces any interest or expectancy in, or any right to be offered an opportunity to participate in, business opportunities or classes or categories of business opportunities that are developed by or presented to (a) the Investors, (b) any of their respective Affiliates (including their respective investors and equityholders, and any associated Persons or investment funds or any of their respective portfolio companies or investments), (c) any of their respective officers, managers, directors, agents, shareholders, members and partners, including any such Person acting as Investor Nominee at the request of such Investor (the "**Business Opportunities Exempt Party**"), even if the opportunity is one that Real or any of its Subsidiaries might reasonably be deemed to have pursued or had the ability or desire to pursue if granted the opportunity to do so, and the Business Opportunities Exempt Party shall not have any duty to communicate or offer such business opportunity to Real or any of Real's Affiliates.

(10) Subject to applicable legal requirements, including the financial expertise and independence requirements of National Instrument 52-110 – *Audit Committees* and stock exchange rules, for as long as the Investor Nominee serves on the Board of Directors, the Investor Nominee shall be a member of all standing and ad hoc committees of the Board of Directors, unless otherwise notified in writing by the Investors, other than any committee formed for the purposes of considering any transaction with the Investors or their Affiliates.

Section 2.2 Expiry of Board Nomination

The rights granted to the Investors and the obligations of Real under this Article 2 shall terminate and be of no further force or effect on the first day following the date on which the Beneficial Ownership Requirement is no longer satisfied (the "**Termination Date**"). Any Investor Nominee that was duly appointed or elected to the Board of Directors at a meeting of shareholders of Real and that is an incumbent member of the Board of Directors as of the Termination Date shall continue to serve on the Board of Directors after the Termination Date unless and until Real requests in writing that such director tender his or her resignation from the Board.

ARTICLE 3
PARTICIPATION RIGHT

Section 3.1 Participation Right

(1) Subject to Section 3.2, Real agrees that if Real proposes to issue any Common Shares or Convertible Securities, other than pursuant to an Exempt Issuance (any such issuance, a "**Subsequent Offering**"), then Real shall provide a written notice (the "**Subsequent Offering Notice**") to the Investor Members promptly but not later than the 10th Business Day prior to the planned date of commencement of such offering, issuance or sale; provided that if such proposed Subsequent Offering is to be effected as a "bought deal", Real shall promptly upon the initial communication relating to a proposed "bought deal" with a prospective underwriter notify the Investor Members of the substance of such communication and shall update the Investor Members on all material developments with respect thereto. A Subsequent Offering Notice shall set out: (i) the number of Common Shares or Convertible Securities proposed to be issued; (ii) the material terms and conditions of any Convertible Securities proposed to be issued and any other material terms and conditions of such Subsequent Offering (including the expiration date, if applicable, and in the case of a Registration and to the extent possible, a copy of the related draft Prospectus or registration statement (or such other documents that are required under U.S. Securities Laws), as applicable); (iii) the subscription price per Common Share or Convertible Security proposed to be issued by Real under such Subsequent Offering, as applicable (and, in the case of a Subsequent Offering for consideration in whole or in part other than cash, the fair market value thereof as reasonably determined by the Board), and (iv) the proposed closing date for the issuance of Common Shares or Convertible Securities to the Investor Members, assuming exercise of the Participation Right by the Investor Members, which closing date shall be at least 10 Business Days following the date of such notice, or such other date as Real and the Investor Members may agree.

(2) Subject to Section 3.1(3) and Section 3.2 and the receipt of all required regulatory approvals and compliance with applicable Laws, Real agrees that each Investor Member has the right (the "**Participation Right**"), upon receipt of a Subsequent Offering Notice, to subscribe for and to be issued, on the same terms and conditions (but in any event at the same price per security in such Subsequent Offering, net of any applicable underwriter discounts) of such Subsequent Offering:

(a) in the case of a Subsequent Offering of Common Shares, such number of Common Shares that will allow such Investor Member to maintain the As- Exchanged Ownership of such Investor Member immediately prior to completion of the Subsequent Offering; and

(b) in the case of a Subsequent Offering of Convertible Securities, such number of Convertible Securities that will (assuming conversion or exchange of all of the Convertible Securities issued in connection with the Subsequent Offering and the Convertible Securities issuable pursuant to this Section 3.1) allow such Investor Member to maintain the As-Exchanged Ownership of such Investor Member immediately prior to the completion of the Subsequent Offering.

in each case, for greater certainty, after giving effect to any Common Shares or Convertible Securities acquired by such Investor Member as part of the Subsequent Offering, other than pursuant to the exercise of the Participation Right.

(3) Subject to Section 3.2, if an Investor Member wishes to exercise the Participation Right in respect of a particular Subsequent Offering, such Investor Member shall give written notice to Real (the "**Exercise Notice**") of the exercise of such right and of the number of Common Shares or Convertible Securities, as applicable, that such Investor Member wishes to purchase (subject to the limits prescribed by Section 3.1(2)), within five Business Days (or, in the case of a Subsequent Offering that is a public offering in a "bought deal", three Business Days) after the date of receipt of the Subsequent Offering Notice (the "**Exercise Notice Period**"), provided that if an Investor Member does not so provide such Exercise Notice prior to the expiration of the Exercise Notice Period, such Investor Member will not be entitled to exercise the Participation Right in respect of such Subsequent Offering. Each Exercise Notice delivered by the Investors shall set forth the aggregate number of each class of securities of Real beneficially owned or controlled by the applicable Investor Member as of the date of such Exercise Notice.

(4) If Real receives a valid Exercise Notice from an Investor Member within the Exercise Notice Period, then Real shall issue to such Investor Member against payment of the subscription price payable in respect thereof set forth in the Subsequent Offering Notice, that number of Common Shares or Convertible Securities, as applicable, set forth in the Exercise Notice, subject to the receipt of all required regulatory and other approvals on terms and conditions satisfactory to Real, acting reasonably, which approvals Real shall use commercially reasonable efforts to obtain (other than any shareholder approvals which Real shall not under any circumstances be required or obliged to obtain unless shareholder approval is otherwise required in connection with the Subsequent Offering, such that no Investor Member, acting individually or in the aggregate, shall be entitled to exercise its Participation Right if such exercise would, in and of itself, cause Real to have to seek shareholder approval for such Subsequent Offering), and subject to compliance with applicable Laws and to the limits prescribed by Section 3.1(2). Each Investor Member acknowledges and agrees that such Common Shares or Convertible Securities may be subject to restrictions on transfer pursuant to applicable Securities Laws. Accordingly, each Investor Member acknowledges and agrees that prior to the expiry of any applicable holding period under applicable Securities Laws, the certificates (if any) representing such Common Shares or Convertible Securities will bear such legend or legends as may, in the reasonable opinion of counsel to Real, be necessary in order to avoid a violation of any Securities Laws or to comply with the requirements of the Applicable Stock Exchange, provided that if, at any time, in the reasonable opinion of counsel to Real, such legends are no longer necessary in order to avoid a violation of any such Laws, or the holder of any such legended certificate, at Real's expense, provides Real with evidence reasonably satisfactory in form and substance to Real (which may include an opinion of counsel satisfactory to Real) to the effect that such holder is entitled to sell or otherwise transfer such Common Shares or Convertible Securities in a transaction in which such legends are not required, such legended certificate may thereafter be surrendered to Real in exchange for a certificate which does not bear such legend.

(5) The closing of the exercise of the Participation Right of each Investor Member will take place on the closing date set out in the Subsequent Offering Notice, which shall be, to the extent practicable, concurrent with the related issuance pursuant to the Subsequent Offering and, if not practicable, as soon as practicable thereafter. If the closing of the exercise of the Participation Right has not been completed by the 90th day following receipt of the Subsequent Offering Notice (or such earlier or later date as the parties may agree), provided that Real has used its commercially reasonable efforts to obtain all required regulatory and other approvals (other than any shareholder approvals which Real shall not under any circumstances be required or obliged to obtain unless shareholder approval is otherwise required in connection with the Subsequent Offering), then each Investor Member may choose to withdraw its Exercise Notice, in which case Real will have no obligation to issue any Common Shares or Convertible Securities, as applicable, to such Investor Member pursuant to such exercise of the Participation Right. If an Investor Member does not timely elect to exercise its Participation Right in full, then Real shall be free for a period of 90 days following the expiration of the Exercise Notice Period to sell the Common Shares or Convertible Securities that are the subject of the Subsequent Offering Notice on terms and conditions no more favorable to the purchasers thereof (but in any event with a price no less than those offered to the Investors in the Subsequent Offering Notice); provided that any Common Shares or Convertible Securities offered or sold by Real after such 90-day period, or any Common Shares or Convertible Securities offered or sold by Real during such 90-day period on terms and conditions more favorable to the purchasers thereof (or in any event with a price less) than those offered to the Investor Members in the Subsequent Offering Notice, must, in either case, be reoffered to the Investor Members pursuant to this Section 3.1 as though it were a new Subsequent Offering.

(6) If Real is paying the costs and expenses incurred by purchasers of Common Shares or Convertible Securities (other than pursuant to this Section 3.1(6)) in connection with any Subsequent Offering, Real shall also pay a proportionate amount of the costs and expenses incurred by the Investor Members in connection with such Subsequent Offering, on substantially similar terms.

(7) The election by an Investor Member not to exercise its Participation Right under this Section 3.1 in any one instance shall not affect its right as to any subsequent proposed issuance.

(8) In the case of an issuance subject to this Section 3.1 for consideration in whole or in part other than cash, including securities acquired in exchange therefor (other than securities by their terms so exchangeable), the consideration other than cash shall be deemed to be the fair market value thereof as reasonably determined in good faith by the Board of Directors.

Section 3.2 Expiry of Participation Right

The Participation Right and the obligations of Real under this Article 3 shall terminate and be of no further force or effect on the Termination Date.

Section 3.3 Required Filings Canadian Securities Acts

Real shall promptly make any filings or issue any reports, within the time frame and form required under the Canadian Securities Acts, where securities are issued to the Investor Members pursuant to the Participation Right if such issuance is (i) not qualified by a prospectus and (ii) an Investor Member is, at the time of that issuance, outside Canada.

ARTICLE 4
ADDITIONAL COVENANTS OF THE PARTIES

Section 4.1 Protective Provisions

From and after the issuance of the Purchased Securities and for so long as the Investors or their Affiliates meet the Beneficial Ownership Requirement, Real shall not, and shall cause its Subsidiaries (including the Issuer) to not, without the prior written consent of the Investors, which consent may be withheld in their sole discretion:

(a) amend, modify, restate or waive any provision in its constating documents in a manner that alters, or that adversely affects, the rights, preferences, privileges or powers of the Preferred Units (including as to impair the rights of the holders of Preferred Units pursuant to the Exchange Agreement or the Guarantee Agreement or to create a class of equity securities that are *pari passu* or senior to the Preferred Units);

(b) in respect of Real or any of its Subsidiaries (other than the Issuer), issue, authorize or create, or increase the issued or authorized amount of, (by reclassification or otherwise) any (i) class or series of equity securities ranking *pari passu* or senior to any other equity securities of such entity as to distribution rights or rights upon the Liquidation of such entity, or (ii) any equity or debt security that is convertible into, exercisable for, exchangeable for or representing the right to purchase any class or series of equity securities ranking *pari passu* or senior to any other equity securities of such entity as to distribution rights or rights upon the Liquidation of such entity, in either case where any payment obligation of Real or any of its Subsidiaries (including in respect of dividends, redemptions or other distributions) are not (directly or indirectly) subordinated (either structurally, by contract or otherwise) to the obligations of Real in respect of the Preferred Units under the Guarantee Agreement;

(c) in respect of the Issuer, issue, authorize or create, or increase the issued or authorized amount of, (by reclassification or otherwise) any (i) class or series of equity securities ranking *pari passu* or senior to the Preferred Units as to distribution rights or rights upon the Liquidation of the Issuer, or (ii) any debt or equity security that is convertible into, exercisable for, exchangeable for or representing the right to purchase any specific class or series of equity securities ranking *pari passu* or senior to the Preferred Units as to distribution rights or rights upon the Liquidation of the Issuer;

(d) (i) increase the number of issued or authorized Preferred Units or any reissuance thereof (whether by reclassification of other equity interests into Preferred Units, or otherwise), (ii) issue any Preferred Units or (iii) issue any equity or debt security that is convertible into, exchangeable for or representing the right to purchase any Preferred Units;

(e) exchange, reclassify or cancel the Preferred Units or any other class or series of Real securities, other than as provided in the LLC Agreement;

(f) unless all Accrued Distributions on all outstanding Preferred Units have been declared and paid in cash, or have been or contemporaneously are declared and a sum sufficient for the payment of those Accrued Distributions has been or is set aside for the benefit of the holders of Preferred Units, (i) declare or pay any dividend in respect of any class or series of equity securities ranking *pari passu* or junior to the Common Shares as to dividend rights or rights upon the Liquidation of Real or (ii) redeem, repurchase, acquire (either directly or through any Subsidiary) or make a liquidation payment relating to (or pay any moneys for a sinking fund for redemption of), any class or series of equity securities ranking *pari passu* or junior to the Common Shares as to dividend rights or rights upon the Liquidation of Real;

(g) redeem, repurchase or otherwise acquire or offer to redeem, repurchase or otherwise acquire any outstanding securities of Real or the Issuer at a price per security that is above the market price of such securities (provided that nothing in this Agreement shall prohibit Real from conducting a normal course issuer bid for its Common Shares in accordance with applicable Securities Laws);

(h) take any action that is prohibited to be taken by Real or any of its Subsidiaries pursuant to the LLC Agreement as if they were parties thereto;

(i) spend more than an aggregate of $100,000 in any given calendar year repurchasing Common Shares or any equity securities convertible into, exercisable for or exchangeable for any Common Shares;

(j) take any action that would result in the Issuer ceasing to be a wholly-owned Subsidiary of Real (other than in respect of the Preferred Units);

(k) effect any voluntary deregistration or voluntary delisting of Common Shares from any Applicable Stock Exchange (other than in connection with a listing on another Applicable Stock Exchange);

(l) adopt any shareholder rights agreement, "**poison pill**" or similar anti-takeover agreement or plan that is applicable to the Investors unless Real has excluded the Investors and their Affiliates from the definition of "**acquiring person**" (or such similar term) as such term is defined in such anti-takeover agreement to the extent of the Investors' and their Affiliates' beneficial ownership of Preferred Units and Common Shares owned as of the date any such agreement or plan is adopted by Real (including on an as-exchanged and/or as-exercised basis in respect of the Preferred Units and the Warrants, respectively) or that otherwise has, or would reasonably be expected to have, a material adverse effect on the holders of Preferred Units;

(m) enter into any contract, agreement, commitment or transaction that would, by its terms, prohibit or restrict the ability of Real or the Issuer, as applicable, to perform any of their respective obligations with respect to the Preferred Units or the Warrants in any material respect;

(n) adopt or consummate any voluntary plan or proposal for the Liquidation of Real or the Issuer;

(o) file a petition in bankruptcy under any provisions of Law, or consent to the filing of any bankruptcy petition under any Law, in each case with respect to Real or any of its Subsidiaries;

(p) make any non-cash dividend or other non-cash distribution to holders of Common Shares;

(q) enter into or authorize any material transaction between Real or any of its Subsidiaries, on the one hand, and any "related party" (as such term is defined under MI 61-101) of Real (excluding Real's Subsidiaries), on the other hand where (i) Real is relying on the exemption from minority approval requirement in section 5.7(1)(a) of MI 61-101 to enter into such transaction, (ii) the fair market value of such transaction is equal to or greater than 10% of Real's market capitalization on the Business Day immediately prior to the announcement of such transaction and (iii) Real has not otherwise obtained minority approval for such transaction in accordance with section 5.6 of MI 61-101; or

(r) agree to take any of the foregoing actions.

Section 4.2 Standstill

(1) During the Standstill Period, the Investors covenant and agree with Real that without the prior written consent of Real (A) the Investors shall not, and (B) the Investors shall not cause or permit any of their controlled Affiliates to, directly or indirectly, alone or acting jointly or in concert with any other Person to:

(a) other than as part of an Exempt Issuance, acquire or agree to acquire or make any proposal or offer to acquire any Common Shares (or any securities convertible, exercisable or exchangeable into Common Shares) in an amount that brings the aggregate beneficial ownership, direction or control of the Investors, together with other Persons acting jointly or in concert with the Investors, over 19.99% of the issued and outstanding Common Shares; for certainty, beneficial ownership shall be calculated in accordance with applicable Securities Laws;

(b) commence a take-over bid for any securities of Real or its Subsidiaries;

(c) effect, seek, offer or propose any take-over bid, amalgamation, merger, arrangement, business combination, re-organization, restructuring, liquidation by or with respect to Real or any of its Subsidiaries, or disposition of a material portion of the consolidated assets of Real and its Subsidiaries, taken as a whole ("**Extraordinary Transaction**");

(d) request requisition or call a special meeting of shareholders of Real;

(e) propose a shareholder proposal (under the applicable provisions of the Act) with respect to Real;

(f) seek to obtain representation on the Board of Directors other than pursuant to Article 2;

(g) engage in short sales of any of Real's or its Subsidiaries' securities;

(h) solicit proxies from the security holders of Real, or form, join or act jointly or in concert to so solicit, in relation to a proposed Change of Control Transaction or any of the matters referred to in Section 4.2(2); provided, however, that this clause (h) shall not restrict the Investors or their Affiliates from: (A) discussing the business of, or any transaction involving, Real or its Subsidiaries, or any matter proposed by Real to be voted on by its voting shareholders, with any other holder of the securities of Real or its Subsidiaries; or (B) taking any other action approved by a majority of the directors of Real;

(i) enter into or offer to enter into or otherwise agree to be bound by a lockup, voting, support or other similar agreement with respect to any Common Shares (or any Preferred Units or any other right or option to acquire Common Shares (pursuant to the terms of a convertible, exchangeable or exercisable security or otherwise)) beneficially owned by the Investors or any Affiliate thereof, or over which the Investors or any Affiliate thereof exercise control or direction, in connection with any proposed Change of Control Transaction unless such Change of Control Transaction is an Approved Change of Control Transaction; or

(j) knowingly advise, assist or encourage any other Person to engage in any of the activities from which the Investors are restricted under this Section 4.2(1).

(2) During the Standstill Period, the Investors shall in respect of any meeting of the shareholders of Real held during that period:

(a) not vote against any Management Nominee nominated by the Board of Directors;

(b) not vote in favour of any shareholder nomination for directors that is not approved by the Board of Directors; and

(c) not vote in favour of any proposal or resolution to remove any member of the Board of Directors.

For certainty, for the purposes of this Section 4.2(2), "**vote against**" includes submission by the Investors of a proxy or other voting instruction form pursuant to which the Investors specifically direct that their votes be withheld on a matter or otherwise casts a "withhold" vote on a matter but does not include the Investors abstaining from casting a vote on a matter altogether.

(3) Notwithstanding anything to the contrary in Sections 4.2(1) and 4.2(2), the Investors will be entitled to vote any Common Shares in their discretion with respect to (i) any Approved Change of Control Transaction; or (ii) any Change of Control Transaction proposed by a Person other than the Investors or any Person acting jointly or in concert with the Investors. For greater certainty, nothing in Sections 4.2(1) and 4.2(2) shall prohibit the Investors or their Affiliates from (1) making one or more confidential proposals to the Board of Directors relating to an Extraordinary Transaction or other transaction, provided the Board of Directors shall be under no obligation to accept any such proposal, (2) exercising their ability to vote (subject to Section 4.2(2) above), Transfer (subject to Section 4.3), exchange or otherwise exercise rights under their Common Shares, Warrants or Preferred Units, (3) the ability of any Investor Nominee to act in his or her capacity as a member of the Board of Directors including his or her ability to vote or otherwise exercise his or her fiduciary duties, or any non-public, internal actions taken by the Investors or any of their Affiliates or Representatives to prepare any Investor Nominee to act in such capacity, (4) participating in rights offerings made by Real to all holders of its Common Shares, (5) receiving any dividends or similar distributions with respect to any securities of Real or any of its Subsidiaries held by the Investors, (6) tendering Common Shares, Warrants or Preferred Units into any take-over bid or issuer bid, (7) effecting an adjustment to the Exchange Price pursuant to the LLC Agreement and/or the Warrant Certificate, or (8) otherwise exercising rights under the Common Shares, Warrants or Preferred Units that are not the subject of this Section 4.2.

Section 4.3 Transfer Restrictions

(1) During the Restricted Period, the Investors will not Transfer any Preferred Units or enter into any transaction that transfers, in whole or in part, directly or indirectly, the economic consequences of ownership of any of their Preferred Units, provided that the foregoing restrictions shall not apply (assuming compliance with applicable Securities Laws):

(a) in respect of a Transfer of Preferred Units between the Investors and their Affiliates or a Transfer of Preferred Units among Affiliates of the Investors, provided that the Investors shall be responsible for any breach of this Agreement by their Affiliates;

(b) in respect of any Transfer of Preferred Units in connection with a Change of Control Transaction, take-over bid, issuer bid, amalgamation, merger, business combination, arrangement or other statutory procedure involving Real or the Issuer;

(c) in respect of any Transfer of Preferred Units to Real or any of its Subsidiaries, whether as a result of an exchange pursuant to the LLC Agreement, Exchange Agreement, or otherwise;

(d) in connection with a Transfer of Preferred Units or entry into any transaction that transfers, in whole or in part, directly or indirectly, the economic consequences of ownership of any of their Preferred Units to a Permitted Transferee;

(e) in connection with any other Transfer approved by a majority of the directors of the Board; or

(f) in connection with a pledge of the Preferred Units to secure the obligations of the Investors or their Affiliates under a *bona fide* margin loan or any Transfers by the applicable lender upon the exercise of any related foreclosure right or remedy.

(2) Following the expiration of the Restricted Period, the Investors and their Affiliates shall not be restricted from transferring any of the Preferred Units owned by the Investors or their Affiliates subject to compliance with applicable Securities Laws and the rules of an Applicable Stock Exchange.

Section 4.4 Ownership Certificate

The Investors agree to deliver to Real a written certificate signed by an officer of the Investors (the "**Ownership Certificate**"), certifying as to the number of Common Shares and the number of Preferred Units beneficially owned or controlled by the Investors and their Affiliates and any other Persons acting jointly or in concert with the Investors, as at the date of such certificate, such Ownership Certificate to be delivered to Real as reasonably requested from time to time (which shall occur no more frequently than once per fiscal quarter), together with any supporting documentation reasonably requested by Real.

Section 4.5 Confidentiality

(1) Each Investor Member will, and will direct its Representatives to, keep confidential and will treat confidentially all Confidential Information. Each Investor Member agrees that it will, and will cause its Representatives to, not disclose any Confidential Information nor use any Confidential Information other than for the purposes of monitoring, administering, managing, fundraising, marketing or reporting such Investor Member's investment in Real and/or the Issuer; provided that an Investor Member and its Representatives may disclose the Confidential Information to (i) its Representatives (including any Investor Nominee, and in the case of any prospective limited partner of the Investors or their Affiliates, provided that such partner is bound by the confidentiality restrictions of a similar nature as those set forth in this Section 4.5), or (ii) as Real may otherwise consent in writing; and provided, further, that this provision will not prevent the Investors and their Affiliates from taking any action contemplated by Section 4.2 following the expiry of the Standstill Period.

(2) As a condition to the furnishing of Confidential Information to a Representative of an Investor Member, such Investor Member shall advise such Representative of the confidential nature of and restriction on use of the information disclosed. Such Investor Member agrees that it will be fully responsible for any breach of the confidentiality and restricted use provisions of this Agreement applicable to Representatives by its Representatives unless such Representative has obligations of confidentiality directly to Real or its Subsidiaries. In addition, each Investor Member will take reasonable steps, including the obtaining of suitable undertakings, to ensure that Confidential Information is not disclosed to any other Person or used in a manner contrary to this Agreement, and, to the extent reasonably practicable, promptly notify Real of any unauthorized disclosure of Confidential Information or breach of this Agreement known to the Investor Member.

(3) Each Investor Member hereby acknowledges that Securities Laws and Real's Stock Trading Policy impose restrictions on its ability to purchase, sell, trade or otherwise Transfer securities of Real until such time as material, non-public information received by such Investor Member becomes publicly available or is no longer material, and each Investor Member further hereby agrees to comply with all such restrictions and to inform those of its Representatives provided with any Confidential Information of such restrictions. Each Investor Member hereby acknowledges that any material, non-public information being received by the Investor Member is intended to be received in the "necessary course of business" in accordance with the interpretive guidance set out in NP 51-201.

(4) The term Confidential Information shall exclude any information that: (i) was generally available to the public prior to the date hereof; (ii) becomes generally available to the public (through no violation hereof by an Investor Member or its Representatives); (iii) was within an Investor Member's or its Representatives' possession prior to it being furnished to an Investor Member or its Representatives by or on behalf of Real, provided that such information is not, to such Investor Member's knowledge, subject to any contractual, legal or fiduciary obligations of confidentiality to Real that would prevent its use or disclosure; (iv) is obtained by an Investor Member or its Representatives from a third party who, to such Investor Member's knowledge, at the time of disclosure, is not prohibited by an obligation to Real from disclosing such information on a non-confidential basis to such Investor Member or its Representatives; (v) was independently developed by such Investor Member or its Representatives, or on such Investor Member's behalf, without use of or reference to the Confidential Information; or (vi) is expressly permitted in writing by Real to be disclosed to third parties on a non-confidential basis.

(5) Nothing in this Section 4.5 is to be construed as granting any Investor Member any title, ownership, license or other right of interest with respect to the Confidential Information. Real retains all right, title and interest in and to the Confidential Information.

(6) If an Investor Member or any of its Representatives is requested or required to disclose any Confidential Information in connection with any legal or administrative proceeding or investigation (including pursuant to the terms of a subpoena or order issued by a court of competent jurisdiction or a regulatory or self-regulatory body), or is requested or required by Law to disclose any Confidential Information, such Investor Member or such Representative, as applicable, will provide Real with prompt written notice of any such request or requirement, to the extent reasonably practicable and not prohibited by Law, so that Real has an opportunity to seek a protective Order or other appropriate remedy or waive compliance with the provisions of this Section 4.5, in each case, at Real's sole cost and expense. If Real waives compliance with the provisions of this Section 4.5 with respect to a specific request or requirement, such Investor Member or such Representative, as applicable, shall disclose only that portion of the Confidential Information that is covered by such waiver and which is necessary to disclose in order to comply with such request or requirement. If (in the absence of a waiver by Real) Real has not secured a protective Order or other appropriate remedy, and such Investor Member or such Representative is nonetheless requested or required by Law to disclose any Confidential Information, such Investor Member or such Representative, as applicable, may, without liability hereunder, disclose only that portion of the Confidential Information that is requested or required to be disclosed.

(7) At any time following the date on which no Investor Nominee serves on the Board of Directors, upon written request by Real, the Investors shall, and shall direct their Representatives to, at the option of the Investors, promptly return to Real or promptly destroy all Confidential Information (including, electronic copies) supplied by Real to and in the possession of the Investors or their Representatives, as applicable, without retaining any copy thereof. Notwithstanding the foregoing, the Investors and their Representatives may retain Confidential Information as required to comply with applicable Laws or their respective corporate governance, internal compliance, evidentiary and/or record keeping policies, (ii) the Investors may retain Confidential Information included as part of board materials of the Investors or their Representatives, and (iii) neither the Investors nor its Representatives shall be required to purge their respective computer or electronic archives (including routine computer system backup tapes, disks or other backup storage devices).

(8) Notwithstanding the return or destruction of the Confidential Information as contemplated hereby or the termination of this Agreement, the Investors will continue to be bound by the terms of this Section 4.5 with respect thereto, including all obligations of confidentiality and restrictions on use for so long as this Agreement is in effect.

Section 4.6 Information Rights

(1) In order to facilitate (i) the Investors' and their Affiliates' compliance with legal and regulatory requirements applicable to the beneficial ownership by the Investors and their Affiliates of equity securities of Real, and (ii) the provision by the Investors and their Affiliates' of financial and other strategic advice to the business and affairs of Real and its Subsidiaries and the taking of such other actions for the benefit of Real and its Subsidiaries in the "necessary course of business" in accordance with the interpretive guidance set out in NP 51-201, for so long as the Investors or their Affiliates hold any of the Purchased Securities, Real agrees promptly to provide the Investors with the following:

(a) within 120 days after the end of each fiscal year of Real, (i) an audited, consolidated balance sheet of Real and its Subsidiaries as of the end of such fiscal year and (ii) audited, consolidated statements of income, comprehensive income, cash flows and changes in shareholders' equity of Real and its Subsidiaries for such fiscal year, all such financial statements audited and certified by independent public accountants of recognized standing; provided that this requirement shall be deemed to have been satisfied if on or prior to such date Real files its audited annual financial statements with the applicable Canadian Securities Commissions pursuant to National Instrument 51-102 – *Continuous Disclosure Obligations*;

(b) within 45 days after the end of each of the first three quarters of each fiscal year of Real, (i) an unaudited, consolidated balance sheet of Real and its Subsidiaries as of the end of such fiscal quarter and (ii) consolidated statements of income, comprehensive income and cash flows of Real and its Subsidiaries for such fiscal quarter, all prepared in accordance with IFRS; provided that this requirement shall be deemed to have been satisfied if on or prior to such date Real files its interim financial report with the applicable Canadian Securities Commissions pursuant to National Instrument 51-102 – *Continuous Disclosure Obligations*; and

(c) (i) access to and consultation with appropriate officers, directors and management personnel of Real and its Subsidiaries at such times as reasonably requested by the Investors, in such manner as not to interfere unreasonably with the conduct of business of Real and its Subsidiaries, for consultation with the Investors with respect to matters relating to the business and affairs of the Issuer, and (ii) in connection with same, Real will furnish Investors with copies of any business plans, monthly financial reports, quarterly management reports, formal presentations to the Board, material documents provided to lenders of Real and such other financial and operating data and other information pertaining to Real; provided that in the case of (ii), such reports and information shall only be provided to the Investors to the extent they have been prepared by Real and made available to the Board and the lenders of Real, as applicable.

(2) Promptly after the determination of Real's annual budget for each calendar year, Real shall promptly notify the Investors in writing of the aggregate annual budgeted recurring capital expenditure of Real and its Subsidiaries.

(3) Notwithstanding the foregoing, Real shall not be obligated to provide such access or materials set forth in this Section 4.6 if Real, acting in good faith, determines, in its reasonable judgment based on the advice of outside counsel of international standing, that doing so would (x) materially violate applicable securities Laws, (y) jeopardize the protection of an attorney-client privilege or attorney work product protection that could reasonably relate to the information or documents in question, or (z) expose Real to liability for disclosure of personal information; provided that, in the case of each of clauses (x) through (z), Real shall immediately disclose as much information as possible, and provide the Investors with redacted, substitute or aggregated and/or anonymized documents or information in the most permissive manner that would not result in, as applicable, Real violating the applicable Law in question, losing the ability to assert attorney-client privilege or attorney work product protection or exposing Real to the aforementioned liability.

(4) Each party hereto acknowledges and agrees that the Investor Nominee may share any information concerning Real and its Subsidiaries received by him or her from or on behalf of Real or its designated representatives with the Investors and their Representatives (other than any Persons that are Representatives solely by virtue of being actual or potential sources of debt or equity financing) (subject to the obligation of the Investors and their Representatives to maintain the confidentiality of Confidential Information in accordance with Section 4.5).

(5) Real and the Issuer shall, as the Investors may reasonably request from time to time, provide to the Investors, pursuant to a management rights letter, such management rights as may be necessary for the Investors' investment in Real and the Issuer to continue to qualify as a "venture capital investment" for purposes of 29 C.F.R. § 2510.3-101.

Section 4.7 Additional Covenants

(1) During the term of this Agreement, Real shall use commercially reasonable efforts to maintain its status as a reporting issuer in the Reporting Jurisdictions and maintain the listing of the Common Shares (including, for greater certainty, Common Shares issuable upon exchange of the Preferred Units and exercise of the Warrants in accordance with their terms) for trading on the Applicable Stock Exchange and shall file, within the required deadlines, the documents prescribed by applicable Securities Laws and the rules of the Applicable Stock Exchange.

Section 4.8 Tax Information

(1) PFIC Status. Real must promptly (i) determine after the close of each taxable year whether it was a "passive foreign investment company" (a "PFIC") as defined in Section 1297 of the Code during such year, and (ii) provide the Investor Members with information substantiating its determination, in each case no later than 60 days after the close of such taxable year. If Real or the Investor Members determine that Real is a PFIC, Real will provide the Investor Members with the information necessary to permit the limited partners of the Investor Members to complete their tax returns as well as United States Internal Revenue Service Form 8621, including information necessary to make and maintain a "qualified electing fund" election within the meaning of Section 1295 of the Code, within 90 days of the close of the taxable year. Certain Transactions.

(2) CFC Status. Real must promptly (i) determine after the close of each year whether it was a "controlled foreign corporation" (a "CFC") as defined in Section 957 of the Code during such year, and (ii) provide the Investor Members with information substantiating its determination, in each case no later than 60 days after the close of such taxable year. If Real or the Investor Members determine that Real is a CFC, Real will provide the Investor Members with the information necessary to permit the Investor Members and the limited partners of the Investor Members to complete their tax returns within 90 days of the close of the taxable year.

(3) Other Tax Matters. Real shall provide to the Investor Members any information reasonably requested and shall provide all reasonable assistance to any Investor Member as may be reasonably necessary to complete or make any tax filings or applications or to make any elections that such Investor Member must make to obtain any available exemptions from or refunds of withholding or any similar taxes on or before March 15th of the calendar year succeeding the relevant taxable year. Real shall provide, at the request of the Investor Members any information in their possession that is reasonably requested for U.S. federal, state, local or foreign tax purposes.

(4) Tax Treatment: Real agrees that for all U.S. federal, state and local tax purposes, it shall treat the Investor Members as owners of stock in Real.

Section 4.9 Certain Transactions.

(1) In the event of any stock split, reverse stock split, stock dividend or distribution, subdivision, or any change in the Common Shares, the Preferred Units or the Warrants by reason of any recapitalization, combination, reclassification, exchange of shares, merger, consolidation, partial or complete liquidation, share dividend, split-up, sale of assets, distribution to equityholders or similar transactions or change in Real's or the Issuer's capital structure, (a) the terms "Common Shares", "Preferred Units" and "Warrants" used herein shall, as applicable, be deemed to refer to and include all such dividends and distributions and any other securities into which or for which any or all of such securities may be changed or exchanged or which are received in such transaction and (b) Real and the Issuer agree that appropriate adjustments shall be made to this Agreement to ensure that the Investor Members have, immediately after consummation of such transaction, substantially the same rights with respect to Real, the Issuer or another issuer of securities, as applicable, as they have immediately prior to the consummation of such transaction under this Agreement.

(2) Without limiting any rights set forth in Section 4.1, if at any time Real proposes to change its jurisdiction of organization or primary stock exchange on which the Common Shares are listed, (i) Real shall work in good faith with the Investor Members, and use its commercially reasonable efforts, to minimize any adverse tax, regulatory, legal or accounting impacts of such transaction on the Investor Members and their Affiliates and (ii) the parties hereto agree that, subject to applicable Securities Laws and the rules and regulations of the new stock exchange, appropriate adjustments shall be made to this Agreement to ensure that the Investor Members have, immediately after the consummation of such transaction, substantially the same rights with respect to Real as they have immediately prior to the consummation of such transaction, including such changes as are reasonably necessary or advisable to reflect (A) differences, if any, between the Laws of the new jurisdiction of formation of Real and other Laws (including Securities Laws) applicable to Real and the Common Shares, as compared to those applicable to Real as of the date hereof and (B) differences in the rules of the new stock exchange as compared to those of the TSX Venture Exchange as of the date hereof.

ARTICLE 5
MISCELLANEOUS

Section 5.1 Notices

(1) Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be delivered in Person, transmitted by e-mail or similar means of recorded electronic communication or sent by registered mail, charges prepaid, addressed as follows:

(a) in the case of the Investors: c/o Insight Partners

1114 Avenue of the Americas, 36th Fl.
New York, NY 10036

Attention: Andrew Prodromos
Email: *[redacted]*

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

Willkie Farr & Gallagher LLP
787 Seventh Avenue
New York, NY 10019-6099

Attention: Robert A. Rizzo
E-mail: *[redacted]*

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

Stikeman Elliott LLP
5300 Commerce Court West
199 Bay Street
Toronto, Ontario M5L 1B9

Attention: Jonah Mann
E-mail: [*redacted*]

(b) in the case of Real or the Issuer:

The Real Brokerage Inc. 133 Richmond Street West Suite 302
Toronto, Ontario M5H 2L3

Attention: Tamir Poleg, Chief Executive Officer
E-mail: *[redacted]*

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

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

Attention: Jason A. Saltzman
E-mail: *[redacted]*

(2) Any such notice or other communication shall be deemed to have been given and received on the day on which it was delivered or transmitted by email or personally by hand (or, if such day is not a Business Day or if delivery or transmission is made on a Business Day after 5:00 p.m. (Toronto time) at the place of receipt, then on the next following Business Day) or, if mailed by internationally recognized overnight courier, on the Business Day following the date of mailing; provided, however, that if at the time of mailing or within two Business Days thereafter there is or occurs a labour dispute or other event which might reasonably be expected to disrupt the delivery of documents by mail, any notice or other communication hereunder shall be delivered or transmitted by means of recorded electronic communication as aforesaid.

(3) Any party may at any time change its address for service from time to time by giving notice to the other parties in accordance with this Section 5.1.

Section 5.2 Amendments and Waiver

No amendment or waiver of any provision of this Agreement shall be binding on any party unless consented to in writing by such party. No waiver of any provision of this Agreement shall constitute a waiver of any other provision, nor shall any waiver of any provision of this Agreement constitute a continuing waiver unless otherwise expressly provided.

Section 5.3 Assignment; Transfer of Rights

(1) No party may assign any of its rights or benefits under this Agreement, or delegate any of its duties or obligations, except with the prior written consent of the other party which consent may be withheld in its sole discretion except as otherwise provided herein.

(2) Notwithstanding the foregoing, (i) an Investor Member may assign and transfer its rights, benefits, duties and obligations under this Agreement, in whole or in part, without the consent of Real, to any Affiliate of such Investor Member, provided that: (A) any such Affiliate shall, prior to any such assignment, agree to be bound by all of the covenants of such Investor Member contained herein and comply with the provisions of this Agreement that were applicable to the transferor Investor Member, and shall deliver to Real a duly executed undertaking to such effect in form and substance satisfactory to Real, acting reasonably; and (B) except as otherwise provided herein, where any rights of an Investor Member under this Agreement have been assigned, such rights shall only be exercised by such Investor Member and its Affiliates, acting together.

(3) For greater certainty, no assignment by the Investors or any assignee (each, an "**Assignee**") of its rights hereunder shall relieve such Assignee of its obligations hereunder.

Section 5.4 Successors and Assigns

This Agreement shall enure to the benefit of and shall be binding on and enforceable by and against the parties and their respective successors or heirs, executors, administrators and other legal personal representatives, and permitted assigns.

Section 5.5 Further Assurances

Each of the parties hereto shall, from time to time hereafter and upon any reasonable request of the other, promptly do, execute, deliver or cause to be done, executed and delivered all further acts, documents and things as may be required or necessary for the purposes of giving effect to this Agreement.

Section 5.6 Right to Injunctive Relief

Each of the parties hereby acknowledges and agrees that in the event of a breach or threatened breach of any of its covenants hereunder, the harm suffered would not be compensable by monetary damages alone and, accordingly, in addition to other available legal or equitable remedies available to such party, the Investors (in respect of any breach of this Agreement by Real) and Real (in respect of any breach of this Agreement by the Investors) shall be entitled to apply for an injunction or specific performance with respect to such breach or threatened breach, without proof of actual damages (and without the requirement of posting a bond, undertaking or other security in connection with such action), and each of the parties hereby agrees not to plead sufficiency of damages as a defence in such circumstances.

Section 5.7 Counterparts

This Agreement and all documents contemplated by or delivered under or in connection with this Agreement may be executed and delivered in any number of counterparts (including by email or scanned pages), with the same effect as if all parties had signed and delivered the same document, and all counterparts shall be construed together to be an original and will constitute one and the same agreement. Electronic signatures and electronic pdf signatures (including by email or scanned pages) shall be acceptable as a means of executing such documents.

Section 5.8 Liability of Real and the Issuer

Each of Real and the Issuer agree and acknowledge that any breach of this Agreement by, or the failure to perform any obligation in accordance with the terms of this Agreement of, the Issuer shall be deemed to be a breach of this Agreement by, or failure to perform such obligation of, Real, and Real shall be fully and directly liable for any and all damages relating to, arising from or suffered in connection with such breach or failure.

Section 5.9 Non-Recourse

Notwithstanding anything to the contrary in this Agreement, (a) this Agreement may only be enforced against, and any action, dispute, claim, suit or other proceeding for breach of this Agreement may only be made against, the Persons that are expressly identified herein and/or are parties hereto, (b) none of (i) the former, current and future Affiliates, directors, officers, managers, employees, advisors, representatives, shareholders, members, managers, partners, successors and assigns of the Investor Members or any Affiliate thereof or any former, current and future Affiliate, director, officer, manager, employee, advisor, representative, shareholder, member, manager, partner, successor and assign of any of the foregoing (collectively, "**Investor Related Parties**") shall have any liability for any liabilities or obligations of the parties hereto for any action, dispute, claim, suit or other proceeding (whether in tort, contract or otherwise) for breach of this Agreement or in respect of any representations made or alleged to be made in connection herewith, (c) none of Real, the Issuer nor or their respective Affiliates shall have any rights of recovery in respect hereof against any Investor Related Party and (d) no personal liability shall attach to any Investor Related Party through the Investor Members or otherwise, whether by or through attempted piercing of the corporate veil, by or through an action, dispute, claim, suit or other proceeding (whether in tort, contract or otherwise), by the enforcement of any judgment, fine or penalty or by virtue of any statute, regulation or other applicable Law, or otherwise; provided that, for the avoidance of doubt, nothing in this Section 5.9 shall restrict or limit the rights or obligations of a Person under any other Transaction Agreement to which such Person is a party.

Section 5.10 Activities of the Investors.

Each of Real, the Issuer and the Investor Members acknowledges and agree that: (a) the Investor Members and the Investor Related Parties (collectively, the "**Investor Group**"), (i) have investments or other business relationships with entities engaged in other businesses (including those which may compete with the business of Real and any of its Subsidiaries or areas in which Real or any of its Subsidiaries may in the future engage in business) and in related businesses other than through Real or any of its Subsidiaries, (ii) may develop a strategic relationship with businesses that are or may be competitive with Real or any of its Subsidiaries and (iii) will not be prohibited by virtue of its investment in Real or any of its Subsidiaries, or its service on the Board of Directors or any Subsidiary's board of directors or other governing body, from pursuing and engaging in any such activities; (b) neither Real nor any other shareholders of Real shall have any right in or to such other ventures or activities or to the income or proceeds derived therefrom; (c) no member of the Investor Group shall be obligated to present any particular investment or business opportunity to Real or any of its Subsidiaries even if such opportunity is of a character which, if presented to Real or any of its Subsidiaries, could be undertaken by Real or any of its Subsidiaries, and each member of the Investor Group shall have the right to undertake any such opportunity for itself for its own account or on behalf of another or to recommend any such opportunity to other Persons; and (d) subject to the express terms and conditions set forth in this Agreement, each member of the Investor Group may enter into contracts and other arrangements with Real and its Affiliates from time to time on terms approved by the Board of Directors and the board of directors of such Affiliates, as applicable. To the fullest extent permitted by applicable Law, neither the Investor Members, Investor Related Parties nor any of their respective Affiliates (or partner, officer, employee, investor, or other representative of any of the foregoing Persons) shall be liable to Real or any other Person for any claim arising out of, or based upon, (i) the investment by the Investor Members, Investor Related Parties or any of their respective Affiliates (or partner, officer, employee, investor, or other representative of any of the foregoing Persons) in any entity competitive with the Company or any of its Subsidiaries, or (ii) actions taken by any partner, officer, employee or other representative of the Investor Members, the Investor Related Parties nor any of their respective Affiliates to assist any such competitive company, whether or not such action was taken as a member of the board of directors of such competitive company or otherwise, and whether or not such action has a detrimental effect on Real or its Subsidiaries.

Section 5.11 Termination.

Except to the extent specified otherwise in this Agreement, this Agreement shall terminate and be of no further force and effect with respect to a particular Investor Member upon the date on which such Investor Member no longer holds any Purchased Securities. Notwithstanding the foregoing, Article 1 and Article 5 shall survive the termination of this Agreement indefinitely.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, this Agreement has been executed by the parties on the date first written above.

THE REAL BROKERAGE INC.

By: *signed "Tamir Poleg"*
Name: Tamir Poleg
Title: Chief Executive Officer

REAL PIPE, LLC

By: *signed "Michelle Ressler"*
Name: Michelle Ressler
Title: Manager

[SIGNATURE PAGE TO INVESTOR RIGHTS AGREEMENT]

INVESTORS:

INSIGHT PARTNERS XI, L.P.

By: Insight Associates XI, L.P., its general partner
By: Insight Associates XI, Ltd., its general partner

By: signed "Andrew Prodromos"
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS (CAYMAN) XI, L.P.

By: Insight Associates XI, L.P., its general partner
By: Insight Associates XI, Ltd., its general partner

By: signed "Andrew Prodromos"
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS XI (CO-INVESTORS), L.P.

By: Insight Associates XI, L.P., its general partner
By: Insight Associates XI, Ltd., its general partner

By: signed "Andrew Prodromos"
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS XI (CO-INVESTORS) (B), L.P.

By: Insight Associates XI, L.P., its general partner
By: Insight Associates XI, Ltd., its general partner

By: signed "Andrew Prodromos"
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS (DELAWARE) XI, L.P.

By: Insight Associates XI, L.P., its general partner
By: Insight Associates XI, Ltd., its general partner

By: signed "Andrew Prodromos"
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS (EU) XI, S.C.Sp.

By: Insight Associates (EU) XI, S.a.r.l., its general partner

By: signed "Andrew Prodromos"
Name: Andrew Prodromos
Title: Authorized Officer

EXHIBIT A

Form of Investor Nominee Irrevocable Resignation

The Real Brokerage Inc.
133 Richmond Street West
Suite 302
Toronto, Ontario M5H 2L3

Attention: Tamir Poleg, Chief Executive Officer

Re: Resignation

Ladies and Gentlemen:

This irrevocable resignation is delivered pursuant to Section 2.1(1) of that certain Investor Rights Agreement dated December 2, 2020 among Insight Partners XI, L.P., a limited partnership existing under the laws of the Cayman Islands, Insight Partners (Cayman) XI, L.P., a limited partnership existing under the laws of the Cayman Islands, Insight Partners XI (Co-Investors), L.P., a limited partnership existing under the laws of the Cayman Islands, Insight Partners XI (Co- Investors) (B), L.P., a limited partnership existing under the laws of the Cayman Islands, Insight Partners (Delaware) XI, L.P., a limited partnership existing under the laws of the State of Delaware, Insight Partners (EU) XI, S.C.Sp., a special limited partnership existing under the laws of Luxembourg, The Real Brokerage Inc., a corporation existing under the laws of the Province of British Columbia, and Real PIPE, LLC, a limited liability company existing under the laws of the State of Delaware (the "**Agreement**"). Capitalized terms used herein but not defined shall have the meaning set forth in the Agreement.

Unless Real agrees in writing that the following does not apply, effective immediately and automatically upon, and subject to, such time as (a) I cease to satisfy any of the Nomination Conditions or (b) the Beneficial Ownership Requirement is no longer satisfied, I hereby resign effective immediately from my position as a director of Real and from any and all committees of the Board on which I serve.

Sincerely,

_____

Name:

EXHIBIT D

LLC AGREEMENT

AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT

OF

REAL PIPE, LLC

a Delaware Limited Liability Company

Dated as of December 2, 2020

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This **AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT** (this "**Agreement**") of Real PIPE, LLC (the "**Company**") is made and entered into on December 2, 2020 (the "**Effective Date**"), by and among The Real Brokerage Inc. ("**Parent**") and each other Person listed as a Member on Schedule A attached hereto as of the date hereof and each Person subsequently admitted as a member of the Company in accordance with the terms hereof (collectively, the "Members").

RECITALS

WHEREAS, on November 6, 2020, the Company was formed by filing a Certificate of Formation with the Secretary of State of the State of Delaware in accordance with the provisions of the Delaware Limited Liability Company Act (the "**Act**");

WHEREAS, on November 6, 2020, the sole member of the Company entered into that certain Limited Liability Company Agreement (the "**Original Agreement**");

AND WHEREAS, pursuant to that certain Securities Subscription Agreement, dated as of December 2, 2020, by and among Parent, the Company and the Investor Members (the "**Purchase Agreement**"), on the Effective Date such Investor Members purchased certain Preferred Units of the Company;

AND WHEREAS, the Members have determined to amend and restate the Original Agreement to read in its entirety as set forth herein and agreed that the membership in and management of the Company shall be governed by the terms set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Members agree as follows:

ARTICLE I
DEFINITIONS

1.1 Definitions. As used herein, the following terms have the meanings set forth below:

"**Accounting Firm**" means Brightman Almagor Zohar & Co. or any qualified and independent accounting firm selected by the Board.

"**Act**" shall have the meaning set forth in the recitals hereto.

"**Affiliate**" shall mean, with respect to any specified Person, any other Person that directly or indirectly controls, is controlled by or is under common control with such specified Person. For the purposes of this definition, the term "**control,**" when used with respect to any specified Person, shall mean the power to direct or cause the direction of the management or policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "**controlling**" and "**controlled**" have correlative meanings. Notwithstanding anything to the contrary set forth in this Agreement, neither the Parent nor any of its Subsidiaries (including the Company or any Company Subsidiary) shall be deemed or treated as an Affiliate of any of the Investor Members.

"**Agreement**" shall have the meaning set forth in the preamble hereto.

"**Assignee**" shall mean a transferee of Units who has not been admitted as a Substitute Member.

"**Authorized Transfer**" shall have the meaning set forth in Section 9.1(c).

"**BBA Rules**" shall mean Subchapter C of Chapter 63 of the Code (Sections 6221 et seq.) as amended by the Bipartisan Budget Act of 2015, or successor provisions, and any Regulations and other guidance promulgated thereunder, and any similar state or local legislation, regulations or guidance.

"**Board**" shall have the meaning set forth in Section 4.1(a).

"**Business Day**" shall mean any day, other than: (a) a Saturday, Sunday or statutory holiday in the Province of Ontario or the State of New York; or (b) a day on which banks are generally closed in the Province of Ontario or the State of New York.

"**Capital Account**" shall have the meaning set forth in Section 5.4(a).

"**Capital Contribution**" shall mean any contribution (or deemed contribution) of cash or property to the Company made by or on behalf of a Member, as set forth from time to time in the books and records of the Company; provided that, as of the Effective Date, the Investor Members and the Parent Members shall be deemed to have made the Capital Contribution set forth opposite their respective names on Schedule A.

"**Certificate of Cancellation**" shall mean the certificate required to be filed with the Secretary of State of the State of Delaware pursuant to Section 18-203 of the Act in connection with a dissolution of the Company.

"**Certificate of Formation**" shall have the meaning set forth in Section 2.1.

"**Claim(s)**" shall have the meaning set forth in Section 12.2.

"**Code**" shall mean the U.S. Internal Revenue Code of 1986.

"**Common Units**" shall mean the Common Units of the Company, having the powers, preferences, rights, qualifications, limitations and restrictions set forth in Section 5.1.

"**Company**" shall have the meaning set forth in the preamble hereto.

"**Company Representative**" shall mean Parent, or such other Person designated by the Board in its capacity as the "**partnership representative**" (as such term is defined under the BBA Rules) of the Company and as the "**tax matters partner**" (to the extent applicable for state and local tax purposes) of the Company, including any "**designated individual**" through whom the Company Representative may act, if applicable.

"**Company Subsidiary**" shall mean any Subsidiary of the Company.

"**Competitive Opportunity**" shall have the meaning set forth in Section 3.5.

"**Covered Person**" shall have the meaning set forth in Section 12.1.

"**Director**" shall have the meaning set forth in Section 4.1(a).

"**Disabling Conduct**" shall have the meaning set forth in Section 12.1.

"**Distribution**" shall mean a transfer of cash or property by the Company to a Member on account of Units as described in Article VI, Article VII or Article XI.

"**Effective Date**" shall have the meaning set forth in the preamble hereto.

"**Entity Taxes**" shall mean any U.S. federal, state, local and other taxes imposed on or payable by the Company under the BBA Rules, any Withholding Taxes, and any other amount that the Company or any other Person in which the Company holds an interest is obligated to pay to a taxing authority because of a Member's status or otherwise specifically attributable to a Member (in each case, including any interest, fines, assessments, penalties or additions to tax imposed in connection therewith or with respect thereto).

"**ERISA**" shall mean the Employee Retirement Income Security Act of 1974.

"**Event of Dissolution**" shall have the meaning set forth in Section 10.1.

"**Exchange Act**" shall mean the Securities Exchange Act of 1934, as amended.

"**Exchange Agreement**" shall mean the exchange and support agreement dated as of the date hereof entered into by and among the Company, the Parent and the Investor Members named therein, as amended, supplemented, restated, exchanged or replaced from time to time.

"**Fiscal Year**" shall have the meaning set forth in Section 8.4.

"**Governmental Authority**" shall mean any domestic or foreign federal, provincial, regional, state, municipal, local or other government, governmental department, agency, arbitrator, authority or body (whether administrative, legislative, executive or otherwise), court, tribunal, commission or commissioner, bureau, minister or ministry, board or agency, taxing or other regulatory or self-regulatory authority, including any securities regulatory authorities and stock exchange (including the TSXV).

"**Guarantee Agreement**" shall mean the subordinated guarantee agreement dated as of the date hereof entered into between the Parent and the Investor Members named therein, as amended, supplemented, restated, exchanged or replaced from time to time.

"**Holder**" means a holder of record of a Preferred Unit, and "**Holders**" shall mean all holders of Preferred Units;

"**IFRS**" means the International Financial Reporting Standards as adopted by the International Accounting Standards Board, at the relevant time, applied on a consistent basis;

"**Indebtedness**" of a Person, at a particular date, shall mean the sum (without duplication) at such date of (a) all amounts for borrowed money, in each case excluding any intercompany borrowings and indebtedness; (b) obligations evidenced by bonds, debentures, notes, or other similar instruments; (c) obligations for the deferred purchase price of property or services (excluding trade obligations); (d) obligations under letters of credit; (e) obligations secured by Liens on such Person's assets, whether or not the obligations have been assumed; (f) all net obligations of such Person under interest rate, commodity, foreign currency and financial markets swaps, options, futures and other hedging obligations; and (g) guarantees of any of the foregoing.

"**Investor Members**" shall mean (a) Insight Partners XI, L.P, Insight Partners (Cayman) XI, L.P., Insight Partners (Delaware) XI, L.P., Insight XI (Co-Investors), L.P., Insight Partners XI (B), L.P., and Insight Partners (EU) XI, S.C.Sp., (b) any Affiliate of the foregoing Persons that, after the Effective Date, acquires Preferred Units and (c) any transferee of the foregoing Persons to whom Preferred Units are distributed or transferred in accordance with Article IX.

"**Investor Related Parties**" shall have the meaning set forth in Section 14.14.

"**Investor Rights Agreement**" means the investor rights agreement dated as of the date hereof entered into among the Parent, the Company and the Investor Members named therein, as amended, supplemented, restated, exchanged or replaced from time to time.

"**IRS**" shall mean the U.S. Internal Revenue Service.

"**Law**" shall mean any and all federal, state, provincial, regional, national, foreign, local, municipal or other laws, statutes, acts, treaties, constitutions, principles of common law, resolutions, ordinances, proclamations, directives, codes, edicts, orders, rules, regulations, rulings or requirements or other legally binding directives or guidance issued, enacted, adopted, promulgated, implemented or otherwise put into effect by or under the authority of any Governmental Authority and includes securities laws.

"**Lien**" shall mean any mortgage, deed of trust, pledge, hypothecation, assignment, encumbrance, lien (statutory or other) or preference, priority, right or other security interest or preferential arrangement of any kind or nature whatsoever.

"**Liquidation**" shall mean, in respect of an entity, a liquidation, winding up or dissolution of such entity.

"**Majority Interest**" shall mean, as of any date, an aggregate Voting Percentage equal to more than 50% on such date.

"**Members**" shall have the meaning set forth in the preamble hereto.

"**Parent Members**" shall mean (a) Parent and (b) any Permitted Transferee of Parent to whom Common Units are distributed or transferred in accordance with Article IX.

"**Parent Related Party**" shall mean any Parent Member and any of their respective Affiliates.

"**Percentage Interest**" shall mean, as of any date of determination in respect of Common Units or Preferred Units, respectively, the percentage determined by dividing (x) the number of Common Units or Preferred Units held by such Member as of such date by (y) the aggregate number of Common Units or Preferred Units held by all Members as of such date, respectively.

"**Permitted Transferee**" shall mean, with respect to any Member, any of their respective Affiliates (including any partner, shareholder, member, or Affiliated investment fund or vehicle of such Member).

"**Person**" shall mean any individual, corporation, general partnership, limited partnership, limited liability partnership, joint venture, association, trust, limited liability company, unincorporated organization or government or any agency or political subdivision thereof.

"**Preferred Units**" shall mean the Preferred Units of the Company having the powers, preferences, rights, qualifications, limitations and restrictions set forth in Article VI.

"**Purchase Agreement**" shall have the meaning set forth in the recitals hereto.

"**Real Common Shares**" shall mean the common shares in the share capital of Parent.

"**Reconvened Meeting**" shall have the meaning set forth in Section 4.2(b).

"**Registration Rights Agreement**" shall mean that certain registration rights agreement by and among Parent and the Investor Members, dated as of the date hereof.

"**Regulations**" shall mean the U.S. Treasury Regulations.

"**Regulatory Allocations**" shall have the meaning set forth in Section 7.2(a).

"**Securities Act**" shall mean the Securities Act of 1933, as amended.

"**Subsidiary**" shall mean, as to any Person, any corporation or other entity of which: (a) such Person or a Subsidiary of such Person is a general partner or, in the case of a limited liability company, the managing member or manager thereof; (b) at least a majority of the outstanding equity interest having by the terms thereof ordinary voting power to elect a majority of the board of directors or similar governing body of such corporation or other entity (irrespective of whether or not at the time any equity interest of any other class or classes of such corporation or other entity shall have or might have voting power by reason of the happening of any contingency) is at the time directly or indirectly owned or controlled by such Person or one or more of its Subsidiaries; or (c) any corporation or other entity as to which such Person consolidates for accounting purposes.

"**Substitute Member**" shall mean an Assignee who has been admitted to all of the rights of membership.

"**Suspended Meeting**" shall have the meaning set forth in Section 4.2(b).

"**Tax Contest**" shall have the meaning set forth in Section 8.3(b).

"**Transaction Agreements**" means the Purchase Agreement, the Investor Rights Agreement, the Exchange Agreement, the Warrant Certificates, the Registration Rights Agreement and the Guarantee Agreement.

"**Transfer**" shall mean any direct, indirect or synthetic sale, assignment, transfer, grant of a participation in or reference under a derivatives contract, pledge, lease, hypothecation, mortgage, gift or creation of security interest, Lien or trust (voting or otherwise) or other encumbrance or other disposition of any Unit, whether in whole or in part (by operation of Law or otherwise) (but excluding (i) any direct or indirect Transfer of a partnership interest in a private equity or similar investment fund that, when aggregated with its parallel funds and alternative investment vehicles, is established to make investments in multiple portfolio companies and not primarily to invest in the Company and (ii) a pledge as collateral for a private equity or similar investment fund's bona fide revolving credit facility that is also secured by other investments of such fund).

"**UBTI**" shall mean "**unrelated business taxable income**" within the meaning of Section 512 and 514 of the Code.

"**Units**" shall have the meaning set forth in Section 5.1(a).

"**Voting Percentage**" shall mean, with respect to any Member holding Voting Units as of a specified date, the percentage determined by dividing (a) the aggregate number of Voting Units held by such Member as of such date, by (b) the aggregate number of issued and outstanding Voting Units as of such date.

"**Voting Unit**" shall mean any Common Unit, and for greater certainty, shall not include any Preferred Unit.

"**Warrant Certificates**" shall have the meaning ascribed to it in the Purchase Agreement.

"**Withholding Taxes**" shall have the meaning set forth in Section 7.5(a).

1.2 Interpretive Provisions. Unless the express context otherwise requires:

(a) the words "**hereof,**" "**herein**" and "**hereunder**" and words of similar import, when used in this Agreement, shall refer to this Agreement as a whole and not to any particular provision of this Agreement;

(b) terms defined in the singular shall have a comparable meaning when used in the plural, and vice versa;

(c) the terms "**Dollars**" and "**$**" mean, unless otherwise expressed, U.S. dollars and "**CAD**" means Canadian dollars;

(d) references herein to a specific Section, Subsection, Recital or Schedule shall refer, respectively, to Sections, Subsections, Recitals or Schedules of this Agreement;

(e) wherever the word "**include,**" "**includes**" or "**including**" is used in this Agreement, it shall be deemed to be followed by the words "**without limitation**";

(f) references herein to any gender shall include each other gender;

(g) references herein to any Person shall include such Person's heirs, executors, personal representatives, administrators, successors and assigns; provided, however, that nothing contained in this clause (g) is intended to authorize any assignment or transfer not otherwise permitted by this Agreement;

(h) references herein to a Person in a particular capacity or capacities shall exclude such Person in any other capacity;

(i) with respect to the determination of any period of time, the word "**from**" means "**from and including**" and the words "**to**" and "**until**" each means "**to but excluding**";

(j) references herein to any Law shall be deemed to refer to such Law, as the case may be, as amended, modified, codified, reenacted, supplemented or superseded in whole or in part and in effect from time to time, and also to all rules and regulations promulgated thereunder;

(k) the headings contained in this Agreement are intended solely for convenience and shall not affect the rights of the parties to this Agreement; and

(l) if the last day for the giving of any notice or the performance of any act required or permitted under this Agreement is a day that is not a Business Day, then the time for the giving of such notice or the performance of such action shall be extended to the next succeeding Business Day.

ARTICLE II
THE LIMITED LIABILITY COMPANY

2.1 Formation. The Company has been formed as a limited liability company pursuant to the provisions of the Act. A Certificate of Formation for the Company (the "**Certificate of Formation**") has been filed in the Office of the Secretary of State of the State of Delaware in conformity with the Act. The Company and, if required, each of the Members shall execute or cause to be executed from time to time all other instruments, certificates, notices and documents and shall do or cause to be done all such acts and things (including keeping books and records and making publications or periodic filings) as may now or hereafter be required for the formation, valid existence and, when appropriate, termination of the Company as a limited liability company under the Laws of the State of Delaware and as may be necessary in order to protect the liability of the Members as members under the Laws of the State of Delaware.

2.2 Name. The name of the Company shall be "**REAL PIPE, LLC**", and its business shall be carried on in such name with such variations and changes as the Board shall determine or deem necessary to comply with requirements of the jurisdictions in which the Company's operations are conducted. The word "**LLC**" or similar words or letters shall be included in the Company's name where necessary for the purpose of complying with the laws of any jurisdiction that so requires.

2.3 Limited Business Purpose. The Company is formed for the limited purpose of issuing the Common Units and Preferred Units in accordance with this Agreement and for holding any assets or obligations related thereto. Neither the Company, nor any of the Company Subsidiaries, shall conduct, transact or otherwise be engaged in any other business or operations, employ any employees (provided that Directors or officers of the Company may be employees of Affiliates of the Company), or own any assets or have any liabilities unrelated to the Common Units and Preferred Units, whether known or unknown, liquidated or unliquidated, due or to become due and whether absolute, accrued, contingent or otherwise. For the avoidance of doubt, the Company shall not take any action that shall cause it to (i) be engaged "**trade or business within the United States**" for purposes of Sections 864(b), 872, 875, 882, 884 or 897 of the Code, (ii) realize any UBTI, or (iii) engage in any activities which constitute the conduct of "**commercial activity**" within the meaning of Section 892 of the Code.

2.4 Registered Office and Agent. The location of the registered office of the Company shall be c/o Saggio Management Group Inc., 102 Sleepy Hollow Drive, Suite 202, Middletown, Delaware 19709. The Board may establish additional places of business of the Company within and without the State of Delaware as and when required by the business of the Company, and in furtherance of its purposes set forth herein, and may appoint agents for service of process in any jurisdiction in which the Company shall conduct business.

2.5 Term. The term of the Company commenced on the date of filing of the Certificate of Formation in the Office of the Secretary of State of the State of Delaware and shall continue until the Company is dissolved pursuant to Article XI.

2.6 Company Powers. In furtherance of the business purpose specified in Section 2.3, but subject to the limitations thereof and to any consent rights of any Members set forth in this Agreement, the Company and the Board, acting on behalf of the Company, shall be empowered to do or cause to be done any and all acts deemed by the Board to be necessary or advisable in furtherance of the business purpose of the Company, including the power and authority:

(a) to acquire, hold, manage, own, sell, transfer, convey, assign, exchange, pledge or otherwise dispose of the Company's interest in property held by the Company;

(b) to establish, have, maintain or close one or more offices within or without the State of Delaware and in connection therewith to rent or acquire office space and to engage personnel;

(c) to open, maintain and close bank accounts, including the power to draw checks or other orders for the payment of moneys, and to invest such funds as are temporarily not otherwise required for Company purposes;

(d) to bring and defend actions and proceedings at Law or in equity or before any Governmental Authority;

(e) to hire consultants, custodians, attorneys, accountants and such other agents and officers of the Company as it may deem necessary or advisable, and to authorize each such agent to act for and on behalf of the Company;

(f) to make all elections, investigations, evaluations and decisions, binding the Company thereby, that may, in the judgment of the Board, be necessary or appropriate for the accomplishment of the Company's business purposes;

(g) to enter into, perform and carry out contracts and agreements of every kind necessary or incidental to the accomplishment of the Company's business purpose, and to take or omit to take such other action in connection with the business of the Company as may be necessary or desirable to further the business purpose of the Company; and

(h) to carry on any other activities necessary to, in connection with, or incidental to any of the foregoing or the Company's business.

2.7 Business Transactions of a Member with the Company. Subject to Section 6.3, a Member may transact business with the Company and, subject to applicable Law, shall have the same rights and obligations with respect to any such matter as a Person who is not a Member or a Director.

2.8 Title to Company Property. Legal title to all property of the Company shall be held and vested and conveyed in the name of the Company, and no real or other property of the Company shall be deemed to be owned by any Member individually. The Units of the Members in the Company shall constitute personal property of the applicable Member.

2.9 Company Status. The Members intend that the Company shall not be a partnership (including a limited partnership) or joint venture, and that no Member shall be a partner or joint venturer of any other Member, for any purposes, and this Agreement shall not be construed to the contrary. Unless otherwise determined pursuant to an income tax audit by relevant tax authority, the Members intend that the Company shall be treated as a disregarded entity for U.S. federal and, if applicable, state or local income or franchise tax purposes, and the Company and each Member shall file all tax returns and shall otherwise take all tax, financial and other reporting positions in a manner consistent with such treatment.

ARTICLE III
THE MEMBERS

3.1 The Members.

(a) Member Information. The name, address, number and type of Units and Voting Percentage of each Member are set forth on Schedule A hereto, as such Schedule shall be amended from time to time pursuant to Section 5.1(f). Copies of any update to Schedule A shall be promptly given to any Investor Member; provided, that the Company shall be entitled to provide a copy of Schedule A to any Member upon such Member's reasonable request.

3.2 Member Meetings.

(a) Actions by the Members; Meetings. Subject to Section 6.3, the Members may vote, approve a matter or take any action by the vote of Members holding Voting Units entitled to vote at a meeting, in person or by proxy, or without a meeting by the written consent of Members pursuant to Section 3.2(b). Meetings of the Members may be called by Members holding a Majority Interest and shall be held upon not less than two (2) Business Days nor more than sixty (60) days' prior written notice of the time and place of such meeting delivered to each holder of Voting Units in the manner provided in Section 14.1. Notice of any meeting may be waived by any Member before or after any meeting. Meetings of the Members may be conducted in person or by conference telephone, videoconference or webcast facilities.

(b) Action by Written Consent. Any action may be taken by the Members without a meeting if authorized by the written consent of the Members holding Voting Units sufficient to approve such action pursuant to the terms of this Agreement. In no instance where action is authorized by written consent will a meeting of Members be required to be called or notice be required to be given; provided, however, that a copy of the action taken by written consent must be promptly sent to all Members holding Voting Units and filed with the records of the Company.

(c) Quorum; Voting. For any meeting of Members, the presence in person or by proxy of Members owning Voting Units representing at least a Majority Interest shall constitute a quorum for the transaction of any business. On all matters submitted to a vote or written consent of the Members, the Members holding Voting Units shall be entitled to vote on such matter, together as one class. Except as otherwise provided in this Agreement including Section 6.3(b), the affirmative vote of Members owning Voting Units representing at least a Majority Interest shall constitute approval of any action.

3.3 Liability of Members. All debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Company, and no Member shall be obligated personally for any such debt, obligation or liability of the Company solely by reason of being a Member.

3.4 Power to Bind the Company. No Member (acting in its capacity as such) shall have any authority to bind the Company to any third party with respect to any matter except pursuant to a resolution expressly authorizing such action, which resolution is duly adopted by the Board by the affirmative vote or written consent required for such matter pursuant to this Agreement or the Act.

3.5 Competitive Opportunities.

(a) To the fullest extent permitted by applicable Law, the doctrine of corporate opportunity, or any analogous doctrine, shall not apply to (a) any Member, (b) any of their respective Affiliates (including their respective investors and equityholders, and any associated Persons or investment funds or any of their respective portfolio companies or investments), or (c) any of the respective officers, managers, directors, agents, shareholders, members, and partners of any of the foregoing, including any such Person acting as a director of the Parent at the request of such Member (each, a "**Business Opportunities Exempt Party**"). The Company and each of the Members, on its own behalf and on behalf of their respective Affiliates and equityholders, hereby renounces any interest or expectancy of the Company in, or in being offered an opportunity to participate in, business opportunities that are from time to time presented to any Business Opportunities Exempt Party and irrevocably waives any right to require any Business Opportunity Exempt Party to act in a manner inconsistent with the provisions of this Section 3.5. No Business Opportunities Exempt Party who acquires knowledge of a potential transaction, agreement, arrangement or other matter that may be an opportunity for the Parent, the Company or any of their respective Subsidiaries, Affiliates or equityholders shall have any duty to communicate or offer such opportunity to the Company and none of the Parent, the Company or any of their respective Subsidiaries, Affiliates or equityholders will acquire or be entitled to any interest or participation in any such transaction, agreement, arrangement or other matter or opportunity as a result of participation therein by a Business Opportunity Exempt Party. This Section 3.5 shall not apply to, and no interest or expectancy of the Company is renounced with respect to, any opportunity offered to any director of the Parent if such opportunity is expressly offered or presented to, or acquired or developed by, such Person solely in his or her capacity as a director or officer of the Parent.

(b) In furtherance of the foregoing, to the fullest extent permitted by applicable Law, neither the Investor Members nor any of their respective Affiliates (or partner, officer, employee, investor, or other representative of any of the foregoing Persons) shall be liable to the Parent, the Company or any other Person for any claim arising out of, or based upon, (i) the investment by the Investor Members or any of their respective Affiliates (or partner, officer, employee, investor, or other representative of any of the foregoing Persons) in any entity competitive with the Parent, the Company or any of their respective Subsidiaries, or (ii) actions taken by any partner, officer, employee or other representative of the Investor Members or any of their respective Affiliates to assist any such competitive company, whether or not such action was taken as a member of the board of directors of such competitive company or otherwise, and whether or not such action has a detrimental effect on the Parent, the Company or its Subsidiaries.

(c) No amendment or repeal of this Section 3.4 shall apply to or have any effect on the liability or alleged liability of any Business Opportunities Exempt Party or any Person described in Section 3.4 for or with respect to any opportunities of which any such Person becomes aware prior to such amendment or repeal. Any Person purchasing or otherwise acquiring any interest in any Units shall be deemed to have notice of and consented to the provisions of this Section 3.5. Neither the amendment or repeal of this Section 3.5, nor the adoption of any provision of this LLC Agreement inconsistent with this Section 3.5, shall eliminate or reduce the effect of this Section 3.5 in respect of any business opportunity first identified or any other matter occurring, or any cause of action that, but for this Section 3.5, would accrue or arise, prior to such amendment, repeal or adoption. No action or inaction taken by any Business Opportunities Exempt Party or any Person described in Section 3.5(b) in a manner consistent with this Section 3.5 shall be deemed to be a violation of any fiduciary or other duty owed to any Person.

ARTICLE IV
THE BOARD AND OFFICERS

4.1 Management by the Board of Directors.

(a) General. Subject to such matters that are expressly reserved hereunder to any Members for decision, the business and affairs of the Company shall be managed by a board of directors (the "**Board**"), which shall be responsible for policy setting, approving the overall direction of the Company and making all decisions regarding the business and affairs of the Company. It is the intent of the parties hereto that each director ("**Director**") of the Company shall be deemed to be a "**manager**" of the Company (as defined in Section 18- 101(10) of the Act) for all purposes under the Act. The Board shall consist of such number of Directors as determined in accordance with Section 4.1(b).

(b) Board Designation Rights. The Board shall consist of one (1) Director who shall be appointed by the Parent Members; provided, that the Director shall at all timed be a U.S resident.

(c) Initial Directors. The initial Directors of the Company, including the Chairman of the Board, are set forth on Schedule B hereto.

(d) Removal. Only the Member(s) entitled to designate a specific Director may remove such Director, at any time and from time to time, with or without cause (subject to applicable Law), in such Member(s)' sole discretion, and such Member(s) shall give written notice of such removal to the Board.

(e) Resignation. Any Director may resign at any time by giving written notice to the Board. The resignation of any Director shall take effect upon receipt of notice thereof or at such later time as shall be specified in such notice; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

(f) Vacancies. If at any time a vacancy is created on the Board by reason of the death, removal or resignation of any Director, a designee shall be appointed to fill such vacancy or vacancies by the Member(s) entitled to appoint such Director pursuant to Section 4.1(b).

4.2 Meetings of the Board.

(a) Frequency. The Board shall meet at such times and at such places (outside Canada) as may be necessary for the Company's business as determined by the Board pursuant to Section 4.2(c).

(b) Quorum. The presence at the meeting of all of the Directors then in office shall constitute a quorum at any meeting of the Board or any committee thereof. If a quorum is not present at a meeting that has been duly called pursuant to Section 4.2(c) (a "**Suspended Meeting**"), any Director present at such meeting may adjourn the meeting and give written notice to the other Directors at his or her address (which may include his or her email address) of the time and place at which such meeting shall be reconvened (a "**Reconvened Meeting**"), which notice shall include a copy of the agenda with respect to such Suspended Meeting. The only business that may be conducted at such Reconvened Meeting is the business specifically set forth in the original agenda for the Suspended Meeting.

(c) Notice; Waiver of Notice. Meetings of the Board or any committee thereof may be called for by the Chairman of the Board or any other Director. Notice of any special meeting of the Board or any committee thereof shall be given at least twenty-four (24) hours prior to any meeting by written notice to each Director at his or her address (which may include his or her email address) including the time and place of such meeting. Notice of any Board or committee meeting may be waived by any Director before but not after such meeting.

(d) Required Vote. Each Director shall receive one (1) vote on all matters that are subject to approval of the Board or any committee thereof. All actions of the Board or any committee thereof shall require the affirmative vote of a majority of votes cast by all the Directors present at a meeting at which there is a quorum. Any reference in this Agreement to the affirmative vote of a majority of the Directors shall be deemed to mean a majority of the votes cast by all Directors present at a meeting at which there is a quorum.

(e) Electronic Meetings. Meetings of the Board or any committee thereof may be conducted in person or by conference telephone, videoconference or other electronic communication facilities and each Director shall be entitled to participate in any meeting of the Board or committee thereof (whether or not conducted in person) by telephone, videoconference or electronic communication facilities; provided that all Directors are not present in Canada at the time of the meeting.

(f) Action by Written Consent. Any action required or permitted to be taken at any meeting of the Board or any committee thereof may be taken without a meeting if all the Directors entitled to vote thereon consent thereto in writing; provided that all Directors shall not be present in Canada at the time such consent is executed; provided, further that any written consent for the sole purpose of approving Distributions on the Preferred Units shall only require the consent of a majority of the Directors then in office. In no instance where action is authorized by written consent will a meeting of the Board or any committee thereof be required to be called or notice be required to be given. A copy of any action taken by written consent of the Board must be sent to all Directors who did not execute such consent within two (2) Business Days of the execution thereof and filed with the records of the Company.

(g) Compensation; Reimbursement. Except as otherwise determined by the Board, Directors shall not receive any stated salary from the Company or any Company Subsidiary for services in their capacities as Directors; provided that nothing contained herein shall be construed to preclude any Director from serving the Parent Members in any other capacity and receiving compensation therefor. The Company or a Company Subsidiary shall reimburse each Director for the reasonable travel and accommodation costs incurred by such Director to attend meetings of the Board or any committee thereof.

4.3 Power to Bind Company. No Director (acting in his or her capacity as such) shall have any authority to bind the Company to any third party with respect to any matter except pursuant to a resolution expressly authorizing such action, which resolution is duly adopted by the Board by the affirmative vote or written consent required for such matter pursuant to this Agreement.

4.4 Officers and Related Persons. Subject in each case to the consent rights of any Members under this Agreement:

(a) Authority. The Board shall have the authority to appoint and terminate officers of the Company, and the Board shall take all necessary actions to cause such appointment or termination of such officers. The Board shall have the authority to retain and terminate agents and consultants of the Company and to delegate such duties to any such officers, agents and consultants as the Board deems appropriate, including the power, acting individually or jointly, to represent and bind the Company in all matters, in accordance with the scope of their respective duties.

(b) General. The officers of the Company shall be chosen by the Board or a duly authorized committee thereof. The Board or a duly authorized committee thereof may, as it deems appropriate, choose a Chairman, a Chief Executive Officer, a President, a Chief Financial Officer, a Chief Operating Officer, a Treasurer, a Secretary, and one or more Vice Presidents (and, in the case of each Vice President, with such descriptive title, if any, as the Board or a duly authorized committee thereof shall determine), Assistant Secretaries, Assistant Treasurers and other officers. Any number of offices may be held by the same person, unless otherwise prohibited by Law. The officers of the Company need not be Members or Directors of the Company.

(c) Election. The Board or a duly authorized committee thereof shall elect the officers of the Company. The officers of the Company and the offices they hold as of the date hereof shall be as set forth on Schedule B hereto. The officers of the Company shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board or a duly authorized committee thereof; and all officers of the Company shall hold office until their successors are chosen, or until their earlier death, disability, resignation or removal. Any officer elected by the Board or a duly authorized committee thereof may be removed at any time, with or without cause, by the affirmative vote of the Board or a duly authorized committee thereof. Any vacancy occurring in any office of the Company shall be filled by the Board or a duly authorized committee thereof. No officers of the Company shall receive any stated salary from the Company or any Company Subsidiary for services in their capacity as an officer of the Company. The Board or a duly authorized committee thereof may delegate such duties to any such officers, agents and consultants of the Company as the Board or a duly authorized committee thereof deems appropriate, including the power, acting individually or jointly, to represent and bind the Company in all matters, in accordance with the scope of their respective duties.

4.5 Committees. The Board may designate one (1) or more committees, with each committee to consist of one or more of the Directors. The Board may designate one (1) or more Directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of any such committee. Any committee, to the extent permitted by Law and provided in the resolution establishing such committee, shall have and may exercise all the powers and authority of the Board in the management of the business and affairs of the Company. Each committee shall keep regular minutes and report to the Board when required.

4.6 Reliance by Third Parties. Persons dealing with the Company are entitled to rely conclusively upon the power and authority of the Board.

4.7 Waiver of Fiduciary Duties. Subject to compliance with the express terms of this Agreement, the Members expressly intend, acknowledge and agree that, to the fullest extent permitted by applicable Law, neither any Member nor any Director is under any obligation to consider the separate interests of the Company, any Company Subsidiary, the Members or any other Person in deciding whether to take or approve (or decline to take or approve) any actions. In furtherance of the foregoing, notwithstanding anything to the contrary in this Agreement, to the fullest extent permitted by applicable Law, no Member, Director or any of their respective Covered Persons, shall be subject to any fiduciary duties or similar duties, at law or in equity, to the Company, any Company Subsidiary, any Member, any Director or any other Person, provided that nothing contained in this Section 4.7 negates, modifies or otherwise affects any of the rights, obligations or duties of any officer (other than any officer that is a Director, who shall be subject to this proviso in his or her capacity as an officer but not in his or her capacity as a Director) of the Company or any Company Subsidiary; provided, however, nothing in this Section 4.7 shall eliminate the implied contractual covenant of good faith and fair dealing.

ARTICLE V
CAPITAL STRUCTURE AND CONTRIBUTIONS

5.1 Capital Structure.

(a) General. Subject to the terms of this Agreement, (i) the Company is authorized to issue equity interests in the Company designated as "**Units,**" which shall constitute limited liability company interests under the Act and shall include, initially, Common Units and Preferred Units, and (ii) subject to the consent rights of any Members under this Agreement, the Board or a duly authorized committee thereof is expressly authorized, by resolution or resolutions, to create and to issue, out of authorized but unissued Units, different classes, groups or series of Units and fix for each such class, group or series such voting powers, full or limited or no voting powers, and such distinctive designations, preferences and relative participating, optional or other special rights and qualifications, limitations or restrictions as determined by the Board or a duly authorized committee thereof. Subject to the consent rights of any Members under this Agreement, the Board, or a duly authorized committee thereof, shall have the authority to issue such number of Units of any class, series or tranche pursuant to clauses (i) and (ii) of the immediately preceding sentence as the Board or such committee shall from time to time determine.

(b) Common Units. The Common Units shall have such rights to allocations and Distributions as may be authorized and set forth under this Agreement. The relative rights, powers, preferences, duties, liabilities and obligations of holders of the Common Units shall be as set forth herein. Each holder of Common Units shall be entitled to vote, in person or by proxy, on a pro rata basis in accordance with the Voting Percentage for each Member as of the applicable date and time on all matters upon which Members have the right to vote as set forth in this Agreement and provided under the Act.

(c) Preferred Units. The Preferred Units shall have such rights to allocations and Distributions as may be authorized and set forth under this Agreement. The relative rights, preferences, powers, privileges and restrictions, qualifications and limitations of the Preferred Units shall be as set forth in Article VI herein. No Holder shall have any rights to notice of, to attend at or to vote at any meetings or in respect of matters upon which Members have the right to vote as set forth in this Agreement and provided under the Act, except as expressly set forth herein or as otherwise from time to time required under the Act. The Preferred Units shall, with respect to the distribution of assets and rights upon a Liquidation, distribution and dividend rights, redemption rights and all other rights and preferences, rank senior to the Common Units as set forth in this Agreement.

(d) Issuance of Additional Units. Subject to the consent rights of any Members under this Agreement, the Company is authorized to issue Units to any Person at such prices per Unit as may be determined by the Board or a duly authorized committee thereof and in exchange for contributions of cash or property, the provision of services or such other consideration as may be determined by the Board or a duly authorized committee thereof. The number of Units held by each Member shall not be affected by any issuance by the Company of Units to other Members.

(e) No Certificates. The Units shall be uncertificated and recorded in the books and records of the Company.

(f) Unit Schedule. The number and type of Units issued to Members shall be listed on Schedule A hereto, which shall be amended from time to time by the Board or any officer of the Company as required to reflect issuances of Units, the admission of any Substitute Members, the acquisition of additional Units by any Member, the Transfer of Units, the redemption, repurchase or forfeiture of Units and the cessation or withdrawal of Members, each as permitted or required by the terms of this Agreement.

5.2 No Withdrawal of Capital Contributions. Except upon a Liquidation of the Company effected in accordance with Article XI and Article XII, no Member shall have the right to withdraw its Capital Contributions from the Company.

5.3 No Additional Capital Contributions. No Member shall be obligated to make any additional Capital Contributions or provide any additional funding to the Company (whether in the form of loans, repayments of loans or otherwise). Except with the approval of the Board, no Member shall be permitted to make any additional Capital Contribution to the Company.

5.4 Maintenance of Capital Accounts.

(a) The Company shall be treated as a disregarded entity for U.S. federal, state and local tax purposes. In the event the Company is instead treated as a partnership for U.S. federal, state or local tax purposes, the Company shall establish and maintain a capital account ("**Capital Account**") for each Member in accordance with the following provisions:

(i) to each Member's Capital Account there shall be credited (x) such Member's contributions of cash and the fair market value of any property, (y) such Member's distributive share of items of income or gain which are specifically allocated to such Member and (z) the amount of any Company liabilities assumed by such Member or which are secured by any property distributed to such Member that such Member is considered to assume or take subject to; and

(ii) to each Member's Capital Account there shall be debited (x) the amount of money and the fair market value of any property distributed to such Member pursuant to any provision of this Agreement, (y) such Member's distributive share of items of expense or loss which are specifically allocated to such Member and (z) the amount of any liabilities of such Member assumed by the Company or which are secured by any property contributed by such Member to the Company that the Company is considered to assume or take subject to.

(b) In the event the Company is instead treated as a partnership for U.S. federal, state or local tax purposes, this Section 5.4 and other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with the Regulations promulgated under Code Section 704(b), including Regulations Section 1.704-1(b)(2)(iv), and shall be interpreted and applied in a manner consistent with such Regulations. In determining the amount of any liability for purposes of calculating Capital Accounts, there shall be taken into account Section 752(c) of the Code and any other applicable provisions of the Code and Regulations. The Members' Capital Accounts will normally be adjusted on an annual or other periodic basis as determined by the Board, but the Capital Accounts may be adjusted more often if a new Member is admitted to the Company or if circumstances otherwise make it advisable in the judgment of the Board. If any Unit or other interest in the Company (or portion thereof) is transferred in accordance with the terms of this Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent such Capital Account is attributable to such transferred Unit or other interest in the Company (or portion thereof).

ARTICLE VI
PREFERRED UNIT TERMS

Preferred Units shall be authorized for issuance with the following rights, preferences, powers, privileges and restrictions, qualifications and limitations.

6.1 Definitions

In this Article VI and elsewhere in this Agreement, the following terms shall have the following meanings:

(a) "**acting jointly or in concert**" shall have the meaning given to it in section 1.9 of NI 62- 104.

(b) "**Bankruptcy Proceeding**" shall mean, with respect to any Person:

(i) an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, reorganization or other relief in respect of such Person or its debts, or of a substantial part of its assets, under any federal, state or foreign bankruptcy, insolvency, receivership or similar Law now or hereafter in effect or (ii) the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for such Person or any of its Subsidiaries or for a substantial part of its assets, and, in any such case, such proceeding or petition shall continue undismissed for sixty (60) days or an order or decree approving or ordering any of the foregoing shall be entered; or

(ii) such Person or any of its Subsidiaries shall (i) voluntarily commence any proceeding or file any petition seeking liquidation, reorganization or other relief under any federal, state or foreign bankruptcy, insolvency, receivership or similar Law now or hereafter in effect, (ii) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition described in clause (a) of this definition, (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for such Person or any of its Subsidiaries or for a substantial part of its assets, (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (v) make a general assignment for the benefit of creditors or (vi) take any action for the purpose of effecting any of the foregoing.

(c) "**beneficial ownership**", "**beneficial owner**" and "**beneficially owned**" shall have the meaning given in section 1.8 of NI 62-104.

(d) "**Capital Reorganization**" shall have the meaning set forth in Section 6.5(f)(iv).

(e) "**CDS**" shall mean CDS Clearing and Depository Services Inc. or its successor or any other depository at such time in respect of the Real Common Shares.

(f) "**Change of Control**" shall mean the occurrence of any of the following:

(i) the direct or indirect sale, lease, transfer, conveyance or other disposition, in one or a series of related transactions, of all or substantially all of the properties or assets of Parent and its Subsidiaries, taken as a whole, to any Person (other than to Parent or to any wholly-owned Subsidiary of Parent), or (ii) a plan or scheme of arrangement, merger, amalgamation, consolidation, share sale or other transaction or series of related transactions, in which all or substantially all of the Real Common Shares are exchanged for, converted into, acquired for, or constitute solely the right to receive, other securities, cash or other property that would result in the Persons who beneficially own, directly or indirectly, 100% of the issued and outstanding Real Common Shares (including any Real Common Shares or other voting shares of Parent that would be beneficially owned by such Persons on an as-converted, as-exercised or as-exchanged basis) as of immediately prior to such transaction ceasing to beneficially own, directly or indirectly, at least a majority of the issued and outstanding Real Common Shares or outstanding common equity securities of the surviving entity (including any Real Common Shares, common equity securities or voting shares that would be beneficially owned by such Persons on an as-converted, as-exercised or as- exchanged basis) immediately following the completion of such transaction or series of related transactions; or

(ii) the consummation of any transaction or series of related transactions (including pursuant to a merger, amalgamation or consolidation), the result of which is that any Person, including any Persons acting jointly or in concert with such Person, becomes the beneficial owner, directly or indirectly, of shares of Parent's common equity representing more than 50% of the voting power of all of Parent's then- outstanding common equity (including any common equity beneficially owned by such Person on an as-converted, as- exercised or as-exchanged basis); provided that, for purposes of the foregoing sentence, "**beneficial ownership**" shall be calculated in accordance with NI 62-104.

(g) "**close of business**" shall mean 5:00 p.m. (Toronto time) on a Business Day.

(h) "**Closing Sale Price**" of Real Common Shares shall mean, as of any date, the closing sale price per share (or if no closing sale price is reported, the average of the closing bid and ask prices or, if more than one in either case, the average of the average closing bid and the average closing ask prices) on such date as reported on the Stock Exchange or, if Real Common Shares are not traded on a Stock Exchange, then an amount determined to be the fair market value of a Real Common Share by an Independent Financial Advisor retained by the Company for such purpose, acting reasonably. If Real Common Shares are traded on more than one Stock Exchange, the price information used to determine the Closing Sale Price shall be the price information in respect of the Stock Exchange on which the aggregate trading volume was the highest as of such date (converted, as applicable, to Canadian dollars at the FX Rate).

(i) "**Delivery Time**" shall have the meaning set forth in Section 6.5(d).

(j) "**Exchange Condition**" shall have the meaning set forth in Section 6.5(a).

(k) "**Exchange Date**" shall mean the Optional Exchange Date or the Forced Exchange Date, as applicable.

(l) "**Exchange Price**" shall mean with respect to each Preferred Unit, CAD $1.52, as may be adjusted from time to time in the manner set forth herein.

(m) "**Exchange Rate**" shall have the meaning set forth in Section 6.5(a).

(n) "**Ex-Date**" means the first date on which Real Common Shares trade on the applicable exchange or in the applicable market, regular way, without the right to receive the issuance, dividend or distribution in question, from Parent or, if applicable from the seller of Real Common Shares on such exchange or market (in the form of due bills or otherwise) as determined by such exchange or market.

(o) "**Forced Exchange**" shall have the meaning set forth in Section 6.5(c).

(p) "**Forced Exchange Date**" shall have the meaning set forth in Section 6.5(c).

(q) "**Forced Exchange Event**" shall have the meaning set forth in Section 6.5(c).

(r) "**Forced Exchange Notice**" shall have the meaning set forth in Section 6.5(c).

(s) "**Forced Exchange Notice Date**" shall have the meaning set forth in Section 6.5(c).

(t) "**FX Rate**" means the foreign exchange rate between the U.S. dollar and the Canadian dollar published by the Bank of Canada at approximately 4:30 p.m. Eastern Time on the Business Day immediately preceding the applicable date of redemption, payment or other determination, as applicable; provided, however, that if the foregoing exchange rate ceases to be published, then the exchange rate will be such replacement exchange rate as may be selected by the Board in good faith.

(u) "**Independent Financial Advisor**" shall mean an appraisal or investment banking firm of internationally recognized standing; provided, however, that such a firm shall not be an Affiliate of the Company and shall be reasonably acceptable to the Holders representing the Requisite Holder Consent outstanding at the time of engagement by the Company.

(v) "**Issue Date**" shall mean the original date of issuance of the Preferred Units.

(w) "**Junior Shares**" shall mean the Real Common Shares and each other equity security of Parent established after the Issue Date, the terms of which do not expressly provide that such class or series ranks senior to the Real Common Shares.

(x) "**Junior Units**" shall mean the Common Units and each other class of Units established after the Issue Date by the Board, the terms of which do not expressly provide that such class or series ranks senior to or on a parity with the Preferred Units as to distribution rights or rights upon a Liquidation of the Company.

(y) "**Liquidation Preference**" shall mean, with respect to each Preferred Unit, CAD $1.52 (as may be adjusted from time to time in the manner set forth herein), plus any declared and unpaid dividends, including the Distributions payable pursuant to Section 6.2.

(z) "**Market Disruption Event**" shall mean any suspension of, or limitation imposed on, trading of the Real Common Shares by any exchange or quotation system on which the Closing Sale Price is determined (the "**Relevant Exchange**") during the one-hour period prior to the close of trading for the regular trading session on the Relevant Exchange (or for purposes of determining the VWAP per Real Common Share, any period or periods aggregating one half-hour or longer during the regular trading session on the relevant day) and whether by reason of movements in price exceeding limits permitted by the Relevant Exchange as to securities generally, or otherwise relating to the Real Common Shares or options contracts relating to the Real Common Shares on the Relevant Exchange.

(aa) "**Market Capitalization**" shall mean the total dollar market value of the Parent's outstanding shares of stock, calculated by multiplying the total number of the Parent's outstanding shares on a fully diluted basis by the current market price of one share as of the day immediately prior to the date of determination.

(bb) "**NI 62-104**" shall mean National Instrument 62-104 *Take-Over Bids and Issuer Bids* implemented by the members of the Canadian Securities Administrators.

(cc) "**Officer**" shall mean any duly appointed officer of the Company.

(dd) "**opening of business**" shall mean 9:00 a.m. (Toronto time).

(ee) "**Optional Exchange Date**" shall have the meaning set forth in Section 6.5(a).

(ff) "**Optional Exchange Notice**" shall have the meaning set forth in Section 6.5(a).

(gg) "**Optional Exchange Notice Date**" shall have the meaning set forth in Section 6.5(a).

(hh) "**Parity Units**" shall mean any class of Units established after the Issue Date by the Board, the terms of which expressly provide that such class or series will rank on a parity with the Preferred Units as to distribution rights or rights upon a Liquidation of the Company.

(ii) "**Recipient**" shall have the meaning set forth in Section 6.5(d)(i).

(jj) "**Reference Property**" shall have the meaning set forth in Section 6.5(f)(iv).

(kk) "**Requisite Holder Consent**" shall mean, (a) so long as the Investor Members hold any Preferred Units, the vote or consent of Investor Members representing a majority of the Preferred Units owned by the Investor Members and (b) thereafter, the vote or consent of Holders representing a majority of the Preferred Units owned by the Holders.

(ll) "**Securities Representations**" shall mean, for a prospective exchange of Preferred Units for Real Common Shares by a Holder, a written representation by such Holder in favor of the Company and Parent (and enforceable by the Company or Parent against such Holder) that such Holder: (a) is resident in Canada at the time of the exchange and is not exercising the exchange by or on behalf of a U.S. Person; (b) is resident in a jurisdiction outside of Canada, is not exercising the exchange in the United States or by or on behalf of a U.S. Person and will acquire Real Common Shares pursuant to an exemption from any prospectus or securities registration or similar requirements under the applicable securities laws of such jurisdiction or any other securities laws to which such Holder is otherwise subject and such exchange would not result in any obligation of Parent or the Company to prepare and file a prospectus, an offering memorandum or similar document or any obligation of Parent or the Company to make any filings with or seek any approvals of any kind from any regulatory body in such jurisdiction or any other ongoing reporting requirements with respect to such exchange or otherwise; or (c) if in the United States, such Holder is, or if the exchange is being exercised on behalf of, a U.S. Person, then such U.S. Person is an "**accredited investor**" within the meaning of Rule 501(a) of Regulation D under the Securities Act or is otherwise permitted to acquire Real Common Shares pursuant to an available exemption from registration under the Securities Act and applicable state securities laws at the time of such exchange.

(mm) "**Senior Units**" shall mean each class of Units established after the Issue Date by the Board, the terms of which expressly provide that such class or series will rank senior to the Preferred Units as to distribution rights or rights upon a Liquidation of the Company.

(nn) "**Stock Exchange**" shall mean any Canadian or United States nationally recognized stock exchange on which the Parent has applied to list its Real Common Shares or any other securities.

(oo) "**Trading Day**" shall mean a Business Day during which trading in securities generally occurs on the Stock Exchange and on which there has not occurred a Market Disruption Event; provided that if Real Common Shares are not traded on any Stock Exchange, "**Trading Day**" shall mean a Business Day.

(pp) "**Trigger Event**" shall have the meaning set forth in Section 6.5(f)(vii).

(qq) "**TSXV**" shall mean the TSX Venture Exchange or any successor thereto.

(rr) "**U.S. Person**" means a U.S. person as defined in Rule 902(k) of Regulation S under the Securities Act.

(ss) "**VWAP**" shall mean, with respect to any period, the per share volume-weighted average trading price of Real Common Shares on the Stock Exchange in respect of the relevant period from the open of trading on the first Trading Day in such period until the close of business on the last Trading Day of such period, as converted into U.S. dollars at the applicable FX Rate on such applicable Trading Day; provided that if such volume-weighted average price is unavailable, the market price of one Real Common Share on such Trading Day determined, using a volume-weighted average method, by an Independent Financial Advisor retained for such purpose by the Company, acting reasonably.

6.2 Distributions

(a) [Intentionally Omitted].

(b) Any distributions pursuant to this Section 6.2 made in error or in violation of Section 18- 607 of the Act will, upon demand by the Board, be returned to the Company.

(c) [Intentionally Omitted].

(d) If the Parent declares and pays a dividend (or makes any other similar payment or distribution) to its shareholders, the Parent shall simultaneously therewith declare and pay, as applicable, to the Members holding Preferred Units the same dividend per Preferred Unit that such Person would receive is he, she or it were to exchange such Preferred Unit, in whole or in part, for Real Common Shares pursuant to Section 6.5 (it being understood and agreed that the applicable Member need not actually exchange any Preferred Unit, in whole or in part, for Real Common Shares in order to receive such dividend, payment or distribution). In furtherance of the foregoing, the Company, the Board and all of the Members shall execute such documents and instruments and take such action as may be reasonably required to carry out the right of the Members holding Preferred Units set forth in this Section 6.2(d).

6.3 Voting and Protective Provisions

(a) Holders shall not have any rights to notice of, to attend at or to vote at any meetings of the members of the Company (a "**Meeting**") except as set forth in this Section 6.3 or as otherwise from time to time required by applicable Law.

(b) So long as the Investor Members hold any Preferred Units, in addition to any other vote or consent of members required by applicable Law or otherwise set forth herein, the affirmative vote or consent of the Investor Members representing at least a majority of the Preferred Units held by the Investor Members, voting together as a separate class, given in person or by proxy, either in writing without a meeting or by vote at any meeting called for the purpose, shall be necessary for effecting or validating the actions set forth below, whether by amendment to this Agreement, by merger, consolidation or otherwise:

(i) any issuance, authorization or creation of, or any increase by the Company in the issued or authorized amount of, any (A) class or series of Parity Units or Senior Units (whether by reclassification of other Units into Parity Units or Senior Units, or otherwise), or (B) any equity or debt security that is convertible into, exercisable for, exchangeable for or representing the right to purchase any class or series of Parity Units or Senior Units;

(ii) (A) any issuance or any increase in the number of issued or authorized Preferred Units or any reissuance thereof (whether by reclassification of other Units into Preferred Units, or otherwise) or (B) any issuance of any equity or debt security that is convertible into, exercisable for, exchangeable for or representing the right to purchase any Preferred Units;

(iii) any exchange, reclassification or cancellation of the Preferred Units, other than as provided in this Article VI;

(iv) any amendment, modification, alteration or repeal of, or supplement to (A) the Certificate of Formation or this Agreement that would adversely affect any rights, preferences, privileges or powers of the Preferred Units or any Holder, and (B) in any event, Sections 2.3, 2.5, 2.6, 2.7, 2.9, 3.3, 3.5, 5.3, 5.4, 14.14, or 14.18 or Article IV, Article VI, Article VII, Article VIII, Article IX, Article X, Article XII, Article XIII or in each case, the definitions relating thereto;

(v) any adoption or consummation of a voluntary plan or proposal for the Liquidation of the Company;

(vi) any of the actions described in clause (b) of the definition of Bankruptcy Proceeding with respect to the Company or any of its Subsidiaries;

(vii) any actions to be taken by the Company Representative or the Board under Section 7.1 or 8.3, other than as expressly permitted therein;

(viii) any actions that are not in compliance with Section 2.3 or Section 6.3(b);

(ix) any distribution by the Company or Parent, including any distribution on Real Common Shares (other than any dividend or distribution (x) that would result in an adjustment to the Exchange Price pursuant to Section 6.5(f)(i)-(iv));

(x) engage in any business unrelated to the activities set forth in Section 2.3;

(xi) enter into any arrangement, agreement or understanding with (A) Parent or any of its directors, officers or employees, (B) any Director or any Officer or (C) any Affiliate or family member of any of the foregoing, except for any arrangement, agreement or understanding that is otherwise not prohibited by this Agreement and is on arm's-length terms;

(xii) have any Indebtedness or otherwise assume or guarantee or become obligated for the debts of any other Person, or hold out itself or its credit or assets as being available to satisfy the obligations of any other Person, in each case, except as otherwise imposed by Law;

(xiii) make loans to any Person or hold evidence of indebtedness issued by any other Person (other than cash and investment-grade securities issued by an entity that is not an Affiliate of or subject to common ownership with such entity);

(xiv) form, acquire or hold any Subsidiary;

(xv) acquire or own any assets or property;

(xvi) pledge its assets to secure the obligations of itself or any other Person;

(xvii) transfer any of its assets or any right or interest therein; or

(xviii) have contingent or actual obligations.

(c) In exercising the voting rights set forth in Section 6.3(b), each Holder shall be entitled to one vote for each Preferred Unit owned by it.

(d) Meetings of the Holders may be called by Company and shall be held upon not less than five (5) Business Days nor more than sixty (60) days' prior written notice of the time and place of such meeting delivered to each Holder entitled to vote on any matter to be voted upon, in the manner provided in Section 14.1. Notice of any meeting may be waived by any Holder before or after any meeting. Meetings of the Holders may be conducted in person or by conference telephone, videoconference or webcast facilities. For any meeting of Holders entitled to vote on any matter to be voted upon, the presence in person or by proxy of Holders representing at least a majority of the issued and outstanding Preferred Units entitled to vote thereon shall constitute a quorum for the transaction of any business. The affirmative vote of Holders representing at least a majority of the issued and outstanding Preferred Units entitled to vote thereon shall constitute approval of any action.

(e) Any action may be taken by the Holders without a meeting if authorized by the written consent of the Members holding Preferred Units sufficient to approve such action pursuant to the terms of this Agreement. In no instance where action is authorized by written consent will a meeting of Members be required to be called or notice be required to be given; provided, however, that a copy of the action taken by written consent must be promptly sent to all Holders and filed with the records of the Company.

6.4 Liquidation Rights

(a) In the event of any Liquidation of the Company, whether voluntary or involuntary, each Holder shall be entitled to receive, in respect of each Preferred Unit held by it, and to be paid out of the assets of the Company (or, if the Company does not have sufficient assets to pay the entire Liquidation Preference, the assets of the Parent) available for distribution to the Company's members in preference to the holders of, and before any payment or distribution is made on, or assets set aside for, any Junior Share or Junior Units, the Liquidation Preference to which such Holder is entitled.

(b) In the event of any Liquidation of Parent, whether voluntary or involuntary, and whether or not there is a subsequent or concurrent Liquidation of the Company, each Holder shall be entitled to receive, in respect of each Preferred Unit held by it, and to be paid out of the assets of the Company (or, if the Company does not have sufficient assets to pay the entire Liquidation Preference, the assets of the Parent) available for distribution to the Company's members in preference to the holders of, and before any payment or distribution is made on, or assets set aside for, any Junior Shares or Junior Units, the Liquidation Preference to which such Holder is entitled. In furtherance of the foregoing, the Company, the Board and all of the Members shall execute such documents and instruments and take such action as may be reasonably required to carry out the right of the Members holding Preferred Units set forth in this Section 6.4(b).

(c) Other than in connection with the Liquidation of its business, (i) neither the sale, conveyance, exchange or transfer (for cash, shares of stock, securities or other consideration) of all or substantially all the assets or business of the Company or Parent or (ii) the merger or consolidation of the Company or Parent into or with any other Person, in each case shall be deemed to be a Liquidation, voluntary or involuntary, for the purposes of this Section 6.4.

(d) After the payment in full to the Holders of the amounts provided for in this Section 6.4, the Holders as such shall have no right or claim to any of the remaining assets of the Company in respect of their ownership of such Preferred Units. After the payment in full to the Holders of the amounts provided for in this Section 6.4, the Preferred Units shall be deemed to be redeemed for such amounts and automatically canceled, all distributions on the Preferred Units shall cease to accrue and all other rights with respect to the Preferred Units, including the rights, if any, to receive notices, will terminate.

(e) In the event the assets of the Company available for distribution to the Holders upon any Liquidation of the Company or Parent, whether voluntary or involuntary, shall be insufficient to pay in full all amounts to which such Holders are entitled pursuant to this Section 6.4 and the liquidating distributions payable to all holders of any Parity Units, the amounts distributed to the Holders and to the holders of all such Parity Units shall be paid, equally and ratably, in proportion to the full distributable amounts for which Holders of all Preferred Units and holders of any Parity Units are entitled upon such Liquidation assuming sufficient funds are available for the payment thereof in full and, for the avoidance of doubt, no such distribution shall be made on account of any Junior Shares or Junior Units. For the avoidance of doubt, no provision of this Section 6.4 shall prejudice or otherwise adversely affect the rights of Holders under the Exchange Agreement or the Guarantee Agreement, including to collect from Parent under the Guarantee Agreement all amounts to which such Holders are entitled pursuant to this Section 6.4.

6.5 Exchange

(a) The Holders shall have the right to exchange their Preferred Units, in whole or in part, for that number of whole Real Common Shares for each Preferred Unit equal to the quotient of (X) the Liquidation Preference then in effect, divided by (Y) the Exchange Price then in effect (such quotient, as applicable, the "**Exchange Rate**"), with such adjustment or cash payment for fractional shares as the Company may elect pursuant to Article VI. To exchange Preferred Units for Real Common Shares pursuant to this Section 6.5(a), such Holder shall give written notice (the "**Optional Exchange Notice**") to the Company, which Optional Exchange Notice may, at the Holder's discretion, be subject to one or more conditions precedent, including the completion of a Change of Control or other corporate transaction, as such Holder may specify (an "**Exchange Condition**"), signed and dated by such Holder or its duly authorized attorney or agent, stating that such Holder elects to so exchange Preferred Units and shall state therein:

(i) the number of Preferred Units to be exchanged;

(ii) the name or names in which such Holder wishes Real Common Shares to be delivered;

(iii) the Holder's computation of the number of Real Common Shares to be received by such Holder;

(iv) the date on which the exchange shall be consummated (the "**Optional Exchange Date**"), being a Business Day not less than two (2) nor more than fifteen (15) Business Days after the date upon which the Optional Exchange Notice is received by the Company (such date of receipt, the "**Optional Exchange Notice Date**") so long as and until any Exchange Condition is satisfied;

(v) the Exchange Price on the Optional Exchange Date; provided that should a Holder require Parent to provide the current Exchange Price, the Company shall cause Parent to promptly (and in any event within three (3) Business Days) provide the Holder with the current Exchange Price; and

(vi) the Securities Representations.

(b) If no Optional Exchange Date is specified in the Optional Exchange Notice, the Optional

Exchange Date shall be deemed to be the fifteenth (15th) Business Day after the Optional Exchange Notice Date, subject to the satisfaction of any applicable Exchange Condition. If an Optional Exchange Notice is sent by e-mail to the Company by 11:59 p.m. (Toronto time), such notice shall be deemed to have been received by the Company on the same day it is sent.

(c) On the earlier of (i) the listing of Real Common Shares on a nationally recognized stock exchange in the United States, (ii) Parent's Market Capitalization equaling or exceeding $500,000,000 for a 30 day consecutive trading day period or (iii) immediately prior to a Change of Control (each being a "**Forced Exchange Event**"), the Company shall have the right to cause all, but not less than all, of the issued and outstanding Preferred Units to be exchanged for that number of whole Real Common Shares for each Preferred Unit equal to the Exchange Rate then in effect (a "**Forced Exchange**"); provided, however that in order for the Company to exercise such right on the Forced Exchange Date, Real Common Shares are listed and posted for trading on a Stock Exchange and no order ceasing or suspending trading in Real Common Shares or prohibiting the sale or issuance of Real Common Shares has been issued and no (formal or informal) proceedings for such purpose are pending or, to the knowledge of the Company or Parent, have been threatened.

To exchange Preferred Units for Real Common Shares pursuant to this Section 6.4(c), the Company shall give not less than forty-five (45) days' written notice (the "**Forced Exchange Notice**" and the date of such notice, the "**Forced Exchange Notice Date**") to each Holder stating that the Company elects to force the exchange of such Preferred Units pursuant to this Section 6.4(c) and shall state therein (i) the date on which the exchange shall be consummated (the "**Forced Exchange Date**"), which shall be a date no more than fifteen (15) Business Days following the date that is forty-five (45) days after the Forced Exchange Notice Date, (ii) the number of such Holder's Preferred Units to be exchanged, if known, (iii) the Exchange Price on the Forced Exchange Date, (iv) the Company's computation of the number of Real Common Shares to be received by the Holder, and (v) the Securities Representations.

(d) The Company shall deliver, or cause to be delivered, the Real Common Shares due upon exchange of the Preferred Units in accordance with Section 6.5(a) or Section 6.5(c), as applicable, so exchanged as of the Exchange Date (the "**Exchange Common Shares**"), prior to the commencement of trading on the Stock Exchange on which the Real Common Shares are then listed (the "**Delivery Time**"):

(i) the Company shall deliver, or cause to be delivered, the Exchange Common Shares (or, following a Capital Reorganization, the Reference Property) due upon exchange of the Preferred Units so exchanged therefor to the Person specified in accordance with Section 6.5(a)(ii) or otherwise notified to the Company as the Person in whose name such Exchange Common Shares or Reference Property is to be delivered (the "**Recipient**"); and

(ii) if a fraction of a Real Common Share would otherwise be due on exchange of one or more Preferred Units, the Company shall pay to the Holder an amount in cash (computed to the nearest cent) or round up to the nearest whole Real Common Share and deliver such share to the Recipient, in each case as determined in accordance with Section 6.6.

(e) As of the time immediately prior to the Delivery Time on the applicable Exchange Date, distributions shall cease to accrue on the Preferred Units so exchanged, including the rights, if any, to receive notices, will terminate, except only the right of Holders thereof to receive the number of whole Real Common Shares for which such Preferred Units have been exchanged, any cash payment in respect of fractional units in accordance with Section 6.8, and any Reference Property in accordance with Section 6.5(f)(iv). The Recipient shall be treated for all purposes as the record holder of the Exchange Common Shares and, to the extent applicable, Reference Property due upon exchange of the exchanged Preferred Units, as of the Delivery Time on such Exchange Date. Such delivery of Exchange Common Shares and/or Reference Property shall be made, at the option of the Holder by delivering a notice to the Company, either (x) through the facilities of CDS or (y) in certificated form. Any such certificates shall be mailed to the Recipient by mailing certificates evidencing the shares or other Reference Property to the Recipient at the address as set forth in the Optional Exchange Notice (or, in the case of a Forced Exchange Notice or if no such address is specified in an Optional Exchange Notice, in the records of the Company or as set forth in a notice from the Holder to the Company). In the event that a Holder shall not by written notice (in the Optional Exchange Notice or otherwise) to the Company designate the name in which Exchange Common Shares, Reference Property and cash to be delivered upon exchange of Preferred Units should be registered or paid, or the manner in which such Exchange Common Shares, Reference Property or cash should be delivered, the Holder shall be deemed to have selected delivery in certificated form and the Company shall be entitled to register such Exchange Common Shares and Reference Property to, and make such payment in the name of, the Holder and delivered to the address for the Holder shown on the records of the Company.

(f) The Exchange Price shall be subject to the following adjustments (except as provided in Section 6.5(g)):

(i) If, subsequent to the Issue Date, Parent pays a dividend (or other distribution) in Real Common Shares to the holders of Real Common Shares, in their capacity as holders of Real Common Shares, then the Exchange Price in effect immediately prior to the record date for such dividend (or distribution) shall be divided by the following fraction:

$$\frac{OS1}{OS0}$$

where

OS0 = the number of Real Common Shares outstanding immediately prior to the close of business on the record date for such dividend or distribution; and

OS1 = the sum of (A) the number of Real Common Shares outstanding immediately prior to the close of business on the record date for such dividend or distribution and (B) the total number of Real Common Shares constituting such dividend or distribution.

Subject to Section 6.5(h), any adjustment pursuant to this clause (i) shall be effective immediately after the close of business on the record date for such dividend or distribution.

(ii) [Intentionally deleted].

(iii) If, subsequent to the Issue Date, Parent subdivides, consolidates, combines or reclassifies Real Common Shares into a greater or lesser number of Real Common Shares, then the Exchange Price in effect immediately prior to the effective date of such share subdivision, consolidation, combination or reclassification shall be divided by the following fraction:

$$\frac{OS1}{OS0}$$

where

OS0 = the number of Real Common Shares outstanding immediately prior to the effective date of such share subdivision, consolidation, combination or reclassification; and

OS1 = the number of Real Common Shares outstanding immediately after the opening of business on the effective date of such share subdivision, consolidation, combination or reclassification.

Subject to Section 6.5(h), any adjustment pursuant to this clause (iii) shall be effective immediately upon the effective date of such share subdivision, consolidation, combination or reclassification.

(iv) In the case of: (A) any recapitalization, reclassification or change of Real Common Shares (other than changes provided for in Section 6.5(f)(iii)), (B) any consolidation, merger or combination involving Parent, (C) any sale, lease or other transfer to a third party of the consolidated assets of Parent and its Subsidiaries substantially as an entirety (excluding, in the case of (B) and (C), any transactions which would trigger a Forced Exchange as described in Section 6.5(c) above), or (D) any statutory share exchange, as a result of which Real Common Shares are converted into, or exchanged for, shares, other securities, other property or assets (including cash or any combination thereof) subsequent to the Issue Date (any such transaction or event referenced in clauses (A)-(D), a "**Capital Reorganization**"), then, at and after the effective time of such Capital Reorganization, the right to exchange each Preferred Unit shall be changed into a right to exchange such unit into the kind and amount of shares, other securities or other property or assets (or any combination thereof) that the Holder of such Preferred Unit would have received in such Capital Reorganization had such Holder exchanged its Preferred Units into the applicable number of Real Common Shares immediately prior to the effective date of the Capital Reorganization using the Exchange Rate applicable immediately prior to the effective date of such Capital Reorganization (such shares, securities or other property or assets, the "**Reference Property**"). If the Capital Reorganization causes Real Common Shares to be converted into, or exchanged for, the right to receive more than a single type of consideration (determined based in part upon any form of shareholder election), then the Reference Property into which the Preferred Units will be exchangeable shall be deemed to be the weighted average of the types and amounts of consideration received by the holders of Real Common Shares that affirmatively make such an election. The Parent or the Company shall notify Holders of such weighted average as soon as practicable after such determination is made. None of the foregoing provisions shall affect the right of a Holder to exchange its Preferred Units into Real Common Shares pursuant to Section 6.5(a) prior to the effective time of such Capital Reorganization. Notwithstanding Sections 6.5(f)(i) to (iii), no adjustment to the Exchange Price shall be made for any Capital Reorganization to the extent shares, securities or other property or assets become the Reference Property receivable upon exchange of Preferred Units (provided that, for the avoidance of doubt, following any Capital Reorganization, Sections 6.5(f)(i) to (iii) shall apply to any shares or securities constituting Reference Property). The Parent or the Company shall provide at least thirty (30) days' written advance notice of any Capital Reorganization to each Holder prior to the consummation of such Capital Reorganization, the anticipated effective time thereof and the kind and amount of shares, securities or other property or assets that constitutes Reference Property. This Section 6.5(f)(iv) shall similarly apply to successive Capital Reorganizations and the other provisions of this Section 6.5(f) shall apply to any shares or securities constituting Reference Property in any such Capital Reorganization. The Parent and the Company shall not enter into any agreement for a transaction constituting a Capital Reorganization unless (A) such agreement provides for or does not interfere with or prevent (as applicable) exchange of Preferred Units into the Reference Property in a manner that is consistent with and gives effect to this Section 6.5(f)(iv), and (B) to the extent that Parent is not the surviving corporation in such Capital Reorganization or will be dissolved in connection with such Capital Reorganization, proper provision shall be made in the agreements governing such Capital Reorganization for the exchange of the Preferred Units into stock of the Person surviving such Capital Reorganization or such other continuing entity in such Capital Reorganization.

(v) Notwithstanding anything herein to the contrary, no adjustment under this Section 6.5(f) need be made to the Exchange Price unless such adjustment would require an increase or decrease thereto of at least $0.01. Any lesser adjustment shall be carried forward and shall be made and given effect immediately upon the earliest of the following: (A) at the time of and together with the next subsequent adjustment, if any, which, together with any adjustment or adjustments so carried forward, shall amount to an increase or decrease of at least $0.01 of the Exchange Price, (B) any Optional Exchange Notice Date or Forced Exchange Notice Date or (C) the date of notice by Parent or the Company to the Holders of any Capital Reorganization as required by Section 6.5(f)(iv).

(vi) After an adjustment to the Exchange Price under this Section 6.5(f), any subsequent event requiring an adjustment to the Exchange Price under this Section 6.5(f) shall cause an adjustment to each such Exchange Price as so adjusted. For the avoidance of doubt, if an event occurs that would trigger an adjustment to the Exchange Price pursuant to this Section 6.5(f) under more than one subsection hereof, such event, to the extent fully taken into account in a single adjustment, shall not result in multiple adjustments hereunder; provided, however, that if more than one subsection of this Section 6.5(f) is applicable to a single event, the subsection shall be applied that produces the largest decrease in the Exchange Price (or if there is no such decrease, if applicable, the smallest increase in the Exchange Price).

(vii) Notwithstanding any other provisions of this Section 6.5(f), rights, options or warrants distributed by Parent to holders of Real Common Shares, in their capacity as holders of Real Common Shares, entitling the holders thereof to subscribe for or purchase shares in the capital of Parent (either initially or under certain circumstances), which rights, options or warrants, until the occurrence of a specified event or events ("**Trigger Event**"): (A) are deemed to be transferred with such Real Common Shares; (B) are not exercisable; and (C) are also issued in respect of future issuances of Real Common Shares, shall be deemed not to have been distributed for purposes of this Section 6.5(f) (and no adjustment to the Exchange Price under this Section 6.5(f) will be required) until the occurrence of the earliest Trigger Event, whereupon such rights, options and warrants shall be deemed to have been distributed and an appropriate adjustment (if any is required) to the Exchange Price shall be made under Section 6.5(f)(ii). In addition, in the event of any distribution (or deemed distribution) of rights, options or warrants, or any Trigger Event or other event with respect thereto that was counted for purposes of calculating a distribution amount for which an adjustment to an Exchange Price under this Section 6.5(f) was made and (A) any such rights, options or warrants shall all have been redeemed, repurchased or forfeited at a price per right or warrant of less than C$0.0001 without exercise by any holders thereof, or (B) any such rights, options or warrants shall all have expired or been terminated without exercise thereof, such Exchange Price shall be readjusted as if such redeemed, repurchased, forfeited, expired or terminated rights, options or warrants had not been issued. To the extent that Parent has a rights plan or agreement in effect upon exchange of the Preferred Units, which rights plan provides for rights, options or warrants of the type described in this clause, then upon exchange of Preferred Units the Holder will receive, in addition to Real Common Shares to which the Holder is entitled, a corresponding number of rights in accordance with the rights plan, unless a Trigger Event has occurred and the adjustments to the Exchange Price with respect thereto have been made in accordance with the foregoing.

(viii) Notwithstanding anything to the contrary herein, in no event will the Exchange Price be increased pursuant to this Section 6.5(f), other than pursuant to Section 6.5(f)(iii).

(g) Notwithstanding anything to the contrary in Section 6.5(f), if the Holders are entitled to participate in a distribution or transaction to which Section 6.5(f)(ii) applies as if they held a number of Real Common Shares issuable upon exchange of the Preferred Units immediately prior to such event, without having to exchange their Preferred Units, then no adjustment under Section 6.5 need be made to the Exchange Price.

(h) Notwithstanding anything to the contrary herein, if Parent shall fix a record date for the purpose of determining the holders of its Real Common Shares entitled to receive a dividend or other distribution, and shall thereafter (and before the dividend or distribution has been paid or delivered to shareholders) abandon its plan to pay or deliver such dividend or distribution, then thereafter no adjustment in any Exchange Price then in effect shall be required by reason of the fixing of such record date.

(i) Upon any increase or decrease in the Exchange Price, then, and in each such case, the Company promptly (but in any event within five (5) Business Days of any such adjustment) shall deliver to each Holder a certificate signed by an Officer, setting forth in reasonable detail the event requiring the adjustment and the method by which such adjustment was calculated and specifying the increased or decreased Exchange Price then in effect following such adjustment and the effective time thereof.

(j) The delivery of evidence of deposit with CDS (or, if desired by the applicable Holder, certificates) for Real Common Shares upon the exchange of Preferred Units shall each be made without charge to the Holder or recipient of Preferred Units for such evidence or certificates or for any stock transfer or similar tax (other than income or similar taxes) in respect of the issuance or delivery of such evidence or certificates, and such evidence or certificates shall be recorded or delivered, as the case may be, in the respective names of, or in such names as may be directed by, the applicable Holder; provided, however, that the Company shall not be required to pay any tax which may be payable in respect of any transfer involved in the delivery of any such evidence of, or certificate representing, Real Common Shares in a name other than that of the Holder of the relevant Preferred Units and the Company shall not be required to deliver any such evidence or certificate unless or until the Person or Persons requesting the delivery thereof shall have paid to the Company the amount of such tax or shall have established to the reasonable satisfaction of the Company that such tax has been paid.

6.6 No Fractional Shares. No fractional Real Common Shares or securities representing fractional Real Common Shares shall be delivered upon exchange, whether voluntary or mandatory, or in respect of dividend payments made in Real Common Shares on the Preferred Units. Instead, the Company may elect to either make a cash payment to each Holder that would otherwise be entitled to a fractional share (based on the Closing Sale Price of such fractional share determined as of the Trading Day immediately prior to the payment thereof, converted to U.S. dollars at the applicable FX Rate) or, in lieu of such cash payment, round up to the next whole share the number of Real Common Shares to be delivered to any particular Holder upon exchange.

6.7 Uncertificated Units. The issuance of Preferred Units shall be reflected in the books and records of the Company, and shall not be represented by any certificate.

6.8 Miscellaneous.

(a) Preferred Units that have been issued and reacquired by the Company in any manner (upon compliance with any applicable provisions of the laws of Delaware) shall upon such reacquisition be automatically cancelled by the Company and shall not be reissued.

(b) The Preferred Units shall be issuable only in whole units.

(c) All payments required hereunder shall be made by wire transfer of immediately available funds to the Holders in accordance with the payment instructions as such Holders may deliver by written notice to the Company from time to time.

(d) Notwithstanding anything to the contrary herein, whenever the Board, or the board of directors of Parent, is permitted or required to determine fair market value, such determination shall be made reasonably and in good faith.

(e) Notwithstanding any other provision hereof, the Company may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or in shares) to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a Holder pursuant to this Article VI shall be considered to be the amount of the payment, distribution, issuance or delivery received by such Holder plus any amount deducted or withheld pursuant to this Section 6.8(e).

(f) Any amendment, modification or alteration of the rights, preferences, privileges or voting powers of the Preferred Units shall, solely to the extent required by the applicable rules and regulations of the TSXV, be subject to the approval of the TSXV for as long as Real Common Shares are listed for trading thereon.

ARTICLE VII
ALLOCATIONS AND DISTRIBUTIONS

7.1 Allocations of Net Profits and Net Losses. The Company shall be treated as a disregarded entity for U.S. federal, state and local tax purposes. In the event the Company is instead treated as a partnership for U.S. federal, state or local tax purposes:

(a) Allocations to Capital Accounts. Except as otherwise provided herein and after applying Section 7.2, each item of income, gain, loss, deduction and credit of the Company (determined in accordance with U.S. tax principles as applied to the maintenance of capital accounts) shall be allocated among the Capital Accounts of the Members with respect to each Fiscal Year, as of the end of such Fiscal Year, in a manner that after giving effect to Section 7.2 and all distributions through the end of such Fiscal Year, the Capital Account balance of each Member, immediately after making such allocation, is, as nearly as possible, equal to (i) the amount such Member would receive pursuant to Sections 6.2 and 7.4 if all assets of the Company on hand at the end of such Fiscal Year were sold for cash equal to their book value (as determined for Capital Account purposes), all liabilities of the Company were satisfied in cash in accordance with their terms (limited with respect to each nonrecourse liability (within the meaning set forth in Treasury Regulations Section 1.704-2(b)(3)) to the book value of the assets securing such liability), and all remaining or resulting cash was distributed, in accordance with Sections 6.2 and 7.4, to the Members immediately after making such allocation, minus (ii) such Member's share of partnership minimum gain (as defined in Treasury Regulations Section 1.704-2(b)(2)) and member minimum gain (as defined in Treasury Regulation Section 1.704-2(i)), computed immediately prior to the hypothetical sale of assets.

(b) Construction. The allocations set forth in Section 7.1(a) and Section 7.2 are intended to comply with certain requirements of the Regulations. Notwithstanding the other provisions of this Article VII, the Board shall be authorized to make, subject to the rights of the Holders under Section 6.3(b), appropriate amendments to the allocations of items of income, gain, loss, deduction and credit pursuant to this Agreement (i) in order to comply with Section 704 of the Code or applicable Regulations, (ii) to allocate properly items of income, gain, loss, deduction and credit to those Members who bear the economic burden or benefit associated therewith, or (iii) to otherwise cause the Members to achieve the economic objectives underlying this Agreement and the Purchase Agreement as determined by the Board. The Board also shall (A) make any adjustments that are necessary or appropriate to maintain equality between the Capital Accounts of the Members and the amount of Company capital reflected on the Company's balance sheet, as computed for book purposes, in accordance with Regulations Section 1.704- 1(b)(iv)(*g*), and (B) make any appropriate modifications in the event unanticipated events might otherwise cause this Agreement not to comply with Regulations Section 1.704- 1(b). Without limiting the foregoing, and notwithstanding Section 7.1(a) and Section 7.2, but subject to the Regulatory Allocations, items of income, gain, loss, deduction and credit of the Company shall be allocated among the Members so as to eliminate the effect of the Regulatory Allocations and thereby cause the respective Capital Account balances of the Members to be in the amounts (or as close thereto as possible) they would have been if items of income, gain, loss, deduction and credit of the Company had been allocated without reference to the Regulatory Allocations. In general, the Members anticipate that this shall be accomplished by specially allocating other items of income, gain, loss, deduction and credit of the Company among the Members so that the net amount of Regulatory Allocations and such special allocations to each such Member is zero.

(c) Tax Allocations. All items of income, gain, loss, deduction and credit of the Company shall be allocated among the Members, for federal, state, and local income tax purposes, in the same manner as such income, gain, loss, deduction and credit is allocated among such Members pursuant to Sections 7.1(a) and 7.2 (taking into account Section 7.1(b)) except as may otherwise be provided herein or by the Code, the Regulations, or other applicable Law (in which case the Company's subsequent income, gains, losses, deductions and credits will be allocated among the Members so as to reflect as nearly as possible the allocation set forth herein in computing their Capital Accounts). The Board shall have the power to make such allocations and to take any and all action necessary under the Code and the Regulations thereunder, or other applicable Law, to effect such allocations.

7.2 Special Allocations. The Company shall be treated as a disregarded entity for U.S. federal, state and local tax purposes. In the event the Company is instead treated as a partnership for U.S. federal, state or local tax purposes:

(a) Regulatory Compliance. The provisions of Sections 5.4, 7.1, this Section 7.2 and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Regulation Section 1.704-1(b) and shall be interpreted and applied in a manner consistent with such Regulation. In furtherance of the foregoing, the provisions of Section 704 of the Code and the Regulations thereunder addressing qualified income offset, minimum gain chargeback requirements and allocations of deductions attributable to nonrecourse debt and partner nonrecourse debt (as defined in Regulation Section 1.704-2(b)(4)), are hereby incorporated by reference (the "**Regulatory Allocations**").

(b) Section 754 Adjustments. To the extent an adjustment to the adjusted tax basis of any Company asset pursuant to Code Section 734(b), Code Section 732(d), or Code Section 743(b) is required, pursuant to Regulations Section 1.704-1(b)(2)(iv)(m), to be taken into account in determining Capital Accounts, the amount of such adjustment to Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis) and such gain or loss shall be specially allocated to the Members in a manner consistent with the manner in which their Capital Accounts are required to be adjusted pursuant to such Regulation.

(c) Other Allocation Rules.

(i) All items of income, gain, loss, deduction and credit of the Company shall be allocated among the Members as provided in this Article VII. If Members are admitted to the Company on different dates during any Fiscal Year, or the interests of the Members fluctuate during a Fiscal Year, items of income, gain, loss, deduction and credit of the Company shall be allocated among the Members for such Fiscal Year in accordance with Code Section 706 and the Regulations thereunder.

(ii) The Members are aware of the income tax consequences of the allocations made by this Article VII and hereby agree to be bound by the provisions of this Article VII in reporting their shares of income and loss for income tax purposes.

7.3 No Right to Distributions. No Member shall have the right to demand or receive Distributions of any amount, except as expressly provided in this Article VII.

7.4 Distributions

(a) General. Distributions shall be made to the Holders in accordance with Section 6.2 and 6.4; provided that, in the case of a Liquidation, any proceeds in respect of such Liquidation shall be distributed as promptly as practicable following receipt thereof.

(b) Method. All distributions within a class of Units shall be pro rata in proportion to the respective Percentage Interests on the applicable record date for such distribution.

(c) [Intentionally omitted.]

(d) Set-Off. The payment of Distributions to a Member pursuant to this Section 7.4 shall not be subject to any set-off, counterclaim, recoupment, defense, or other right that the Company or any Company Subsidiary may have against the Member, other than (i) as otherwise required under applicable Law, or (ii) as expressly contemplated by Sections 7.5(a) and 8.3(e); provided that a Member may, in its sole discretion, elect in writing to direct payment of all or a part of any Distribution to which such Member is entitled to another Person, and may direct payment of all or a part of any Distribution to the Company in satisfaction of any obligation such Member has to the Company. Notwithstanding that a Distribution is offset or payment of such Distribution is directed to another Person, in each case, pursuant to this Section 7.4(d), income shall be allocated as if such Distribution was received by the Member otherwise entitled to receive such Distribution.

7.5 Withholding.

(a) General. The Company is hereby authorized and directed to withhold from any Distribution made to a Member the amount of taxes required to be withheld or paid by the Company under applicable Law with respect to any allocations or Distributions to such Member as levied by any federal, state, local or foreign taxing authority (collectively, "**Withholding Taxes**") and to take any and all other actions that it determines to be necessary or appropriate to ensure that the Company and each of the Company Subsidiaries satisfies its withholding, reporting and tax payment obligations under any applicable Law. Notwithstanding the foregoing, if Withholding Tax is payable or levied solely because the Company is, or is deemed to be resident in Canada for tax purposes, the Company and Parent shall indemnify and save the Investor Members harmless for any Withholding Tax, including any interest, penalties and additions to tax related thereto. Subject to the following sentence, any amount withheld pursuant to this Section 7.5(a) or any amounts withheld with respect to payments or allocations to the Company, in each case, in respect of some but not all Members, shall be treated as a Distribution to such Member under Section 7.4(b) or 7.4(c), as applicable, and shall reduce the amount otherwise distributable to such Member thereunder. If Distributions under Section 7.4(b) or 7.4(c) are insufficient to cover the amount of taxes required to be withheld or paid by the Company pursuant to this Section 7.5, the Member to which such taxes relate shall be obligated to indemnify the Company for such taxes in excess of Distributions within 30 days upon receipt notice from the Company demanding such payment. Neither the Company nor the Board shall be liable for any excess taxes withheld in respect of any distribution or allocation of income or gain to a Member and the event of an overwithholding, a Member's sole recourse shall be to apply for a refund from the appropriate taxing authority; provided, that such overwithholding was done in good faith by the Company. For the avoidance of doubt, the indemnity contained in this Section 7.5(a) shall survive the termination of this Agreement until the expiration of the applicable statute of limitations.

(b) Assistance. The Company shall use commercially reasonable efforts to, upon receipt of a written request from any Member, and at such Member's sole expense, provide such information to such Member as is reasonably necessary to assist such Member in making any necessary filings, applications or elections to obtain any available exemption from, reduction of or any available refund of, any withholding imposed by any taxing authority with respect to amounts distributable or items of income allocable to such Member hereunder, but only to the extent it would not impose any incremental unreimbursed cost or expense on, or otherwise adversely affect, the Company, the Company Subsidiaries or any other Member (or its respective Affiliates, partners, members, shareholders, or owners). Each Member shall provide all information and forms reasonably requested by the Company in order for the Company to ensure that it and the Company Subsidiaries satisfy the obligations contemplated by Section 7.5(a) and this Section 7.5(b) (and shall reimburse the Company for all reasonable costs and expenses incurred in connection with such obligations that were requested by such Member or its direct or indirect partners, owners or members); provided, that, without limitation of the Company's right to withhold on Distributions under Section 7.5(a), nothing in Section 7.5 shall require Holder to provide identifying information with respect to its direct or indirect partners, owners or members.

7.6 Restrictions on Distributions. The foregoing provisions of this Article VII to the contrary notwithstanding, no Distribution shall be made if, and for so long as, such Distribution would violate any Law then applicable to the Company.

7.7 Determinations by the Board. Subject to the rights of Holders under Section 6.3(b), all matters concerning the computation of Capital Accounts, the allocation of items of Company income, gain, loss, deduction and expense for all purposes of this Agreement and the adoption of any accounting procedures not expressly provided for by the terms of this Agreement shall be determined by the Board.

ARTICLE VIII
ACCOUNTS

8.1 Books. The Board shall cause to be maintained complete and accurate books of account of the Company's affairs at the Company's principal place of business. Such books shall be kept and prepared in conformity with IFRS. The Company's accounting period shall be as determined by the Board.

8.2 Reports.

(a) Tax Reporting. The Company shall be treated as a disregarded entity for U.S. federal, state and local tax purposes and shall use reasonable efforts to prepare and file an IRS Form 5472 if required under U.S. tax law. In the event the Company is instead treated as a partnership for U.S. federal, state or local tax purposes, the books of account of the Company shall be closed after the close of each calendar quarter and each Fiscal Year, and the Company shall cause the Accounting Firm to prepare, and following such preparation, the Company shall: (i) use commercially reasonable efforts to send to each Member, to the extent reasonably practicable, an estimated Schedule K-1 by March 15 following the close of any Fiscal Year, in each case, prepared on the basis of such information as is reasonably available to the Company at the relevant time, and (ii) shall send a final Schedule K-1 by May 31 following the close of any Fiscal Year (which Schedule K-1s shall also include all relevant state and local tax information).

(b) Tax Preparation. The tax returns and all associated items shall be prepared by the Accounting Firm.

8.3 Tax Matters. The Company shall be treated as a disregarded entity for U.S. federal, state and local tax purposes. In the event the Company is instead treated as a partnership for U.S. federal, state or local tax purposes:

(a) Parent or its delegate is hereby designated as the initial Company Representative. The Board is hereby authorized to revoke the designation of any Person as the Company Representative and designate any replacement Company Representative with respect to any tax year of the Company, in each case, subject to the approval of the Investor Members. Each Member hereby consents to the designation of the Company Representative in accordance with this Agreement and agrees that upon the request of the Company Representative, it will execute, certify, acknowledge, swear to, file and record at the appropriate public offices such documents as may be necessary or appropriate to evidence such consent. Subject to the rights of the Holders set forth in Section 6.3(b), each Member agrees to take, and the Board is authorized to take (or cause the Company to take), such other actions as may be necessary or advisable pursuant to Regulations or other IRS or Treasury guidance or state or local Law to cause such designations. The Board (i) shall notify each Member of the identity of the Company Representative if other than as set forth above and (ii) shall cause the Company Representative (if it is not a Member) to agree in writing to be bound by the terms of this Agreement solely as they relate to the powers and duties of the Company Representative (and the limitations thereon pursuant to this Agreement) in such capacity.

(b) Subject to the consent rights of the Holders set forth in Section 6.3(b) and Section 8.3(a), the Company Representative shall be permitted to take any and all actions under the BBA Rules, and shall have any and all powers necessary to perform fully in such capacity. Further, the authority of the Company Representative shall include the authority to represent the Company before taxing authorities and courts in tax matters, including audits or administrative or judicial proceedings, affecting the Company, the Company Subsidiaries and the Members in their capacity as such ("**Tax Contests**"), and the authority to make any election under the BBA Rules, including the election under Section 6226 of the Code or similar provision of state or local Law, in connection with any Tax Contest. If the Company Representative causes the Company to make an election under Section 6226 of the Code, the Members covenant to take into account, report, and pay (or reimburse the Company for) the tax liability and any interest and penalties related to any adjustment, determined in accordance with Section 6226 of the Code and any Treasury Regulations adopted therewith (the "Section 6226 Adjustments"), to their items for the reviewed year (as defined under the BBA Rules) as notified to them by the Company Representative on behalf of the Company in the statement described above. Any Member which fails to report and/or pay (or reimburse the Company for) its share of tax liability and interest and penalties related to such Section 6226 Adjustments on its U.S. federal income tax return for its taxable year including the date of any such statement shall indemnify and hold harmless the Company and the other Members against any tax, interest and penalties collected from the Company as a result of such Member's inaction, together with interest thereon. If no election under Section 6226 is made, then each Member agrees to indemnify the Company for the portion of any "imputed underpayment" that is attributed to such Member, as determined by the Company Representative in its reasonable judgement. Each Member agrees that any action taken by the Company Representative (or its representatives) in its capacity as such in connection with Tax Contests that does not violate this Agreement shall be binding upon the Members. Each Member agrees that such Member shall notify the Company Representative in a timely manner of its intention to file a notice of inconsistent treatment with respect to a Company item.

(c) In the event that the Investor Members are treated as partners in the Company for U.S. federal, state or local tax purposes, and if any Entity Taxes are imposed on or otherwise payable by the Company (including the Company's share of Entity Taxes imposed on any Company Subsidiary):

(i) The Board shall (i) notify the Members in a timely manner, and (ii) allocate among the Members such Entity Taxes in a manner that takes into account any modifications attributable to a Member pursuant to the BBA Rules (if applicable). To the extent that a portion of the Entity Taxes for a prior year relates to a former Member (or to a Member whose Percentage Interest differs from its Percentage Interest in the subject year of the Tax Contest), the Board may require such former Member or Member to pay to the Company an amount equal to its allocable portion of such Entity Taxes (which shall not be treated as a Capital Contribution, which shall not impact the Percentage Interest of such former Member or Member and which shall result in no additional Units being issued to such former Member or Member in respect thereof). Notwithstanding the foregoing, if the Board determines that seeking a payment from a former Member is not practicable or that seeking such payment has failed, the Board may require the Substitute Member that acquired directly or indirectly from such former Member the interest in the Company associated with such portion of the Entity Taxes to pay such amount or to pay such amount from the funds of the Company. Each Member acknowledges and agrees that the Board and the Company Representative shall be permitted to take any actions to reduce or avoid Entity Taxes being imposed on the Company or any Company Subsidiary. Notwithstanding the foregoing, if Entity Taxes are payable or levied solely because the Company is, or is deemed to be, resident in Canada for tax purposes, the Company and Parent shall indemnify and save the Investor Members harmless for any Entity Taxes, including any interest, penalties and additions to tax related thereto. The indemnification contained in this Section 8.3(c)(i) shall survive the termination of this Agreement until the expiration of the applicable statute of limitations.

(ii) Each Member (including former Members, if applicable) shall pay to the Company in immediately available funds by wire transfer its share of any Entity Tax imposed on or otherwise payable by the Company (including the Company's share of Entity Taxes imposed on any Company Subsidiary) within ten (10) days following written notice by the Company that payment of such amounts to the appropriate governmental authority is due. Such payment shall not increase such Member's (or former Member's) Capital Contribution, shall not impact the Percentage Interest of such Member (or former Member) and shall result in no additional Units being issued to such Member (or former Member) in respect thereof, and any such payment shall be payable notwithstanding the termination of the Company. In lieu of the foregoing, the Company may pay any Entity Tax imposed on or otherwise payable by the Company (including the Company's share of Entity Taxes imposed on any Company Subsidiary) and treat such payment, to the extent such payment is allocable to a Member pursuant to Section 8.3(d), as an amount actually distributed to the applicable Members pursuant to Section 7.4(b) or 7.4(c) (as determined at the time paid or withheld). For purposes of this Section 8.3(e), an amount shall be considered paid or withheld if, and at the time, remitted to a governmental agency without regard to whether the remittance occurs at the same time as the distribution or allocation to which it relates; provided that an amount actually withheld from a specific distribution or designated by the Board as withheld with respect to a specific allocation shall be treated as if it were distributed at the time such distribution or allocation occurs. Notwithstanding anything to the contrary in this Agreement, the Board may offset Distributions to which a Person is otherwise entitled under this Agreement against such Person's obligation to indemnify the Company under Sections 8.3(d) and this Section 8.3(e). If a Member reimburses its share of an Entity Tax by having the amount of a Distribution (or Distributions) reduced as described in the preceding two sentences, for all other purposes of this Agreement, such Member shall be treated as having received all Distributions (whether before or upon termination) unreduced by the amount of such Entity Tax and interest thereon. For the avoidance of doubt, any taxes, penalties and interest payable under the BBA Rules by the Company shall be treated as specifically attributable to the Members, and the Board shall use commercially reasonable efforts to allocate the burden of (or any diminution in distributable proceeds resulting from) any such taxes, penalties or interest to those Members to whom such amounts are specifically attributable (whether as a result of their status, actions, inactions or otherwise); provided that no Member shall be responsible for any such penalties, additions to tax or interest that resulted from the willful misconduct or gross negligence of the Company Representative.

(d) Subject to the consent rights of the Holders set forth in Section 6.3(b), all tax elections required or permitted to be made by the Company shall be made in such manner as reasonably determined by the Board or Company Representative. Each Member shall cooperate with the Board, the Company Representative and the Company and provide the Company Representative and the Company with any tax information reasonably requested, in each case, so that the Company Representative or the Company can implement the provisions of this Section 8.3 (including by making any election permitted hereunder), can file any tax return of the Company, and can conduct any Tax Contest or similar proceeding of the Company. Each of the Members irrevocably waives any rights to information from the Company provided under Section 18-305 of the Act; provided that, for the avoidance of doubt, the foregoing waiver shall not limit any rights to information expressly set forth in this Agreement or as otherwise agreed to between a Member and the Company.

(e) The Company Representative shall be entitled to expend Company funds, or to be reimbursed by the Company, for all reasonable costs and expenses incurred in acting as the Company Representative, including for professional services, and nothing herein will be construed to restrict the Company from engaging an accounting firm or legal counsel to assist the Company Representative in discharging its duties hereunder. Without duplication of the foregoing, promptly following the written request of the Company Representative, the Company shall, to the fullest extent permitted by Law, reimburse and indemnify the Company Representative for all reasonable expenses, including reasonable legal and accounting fees, claims, liabilities, losses and damages incurred by the Company Representative in connection with the exercise of its rights and fulfillment of its duties as such.

(f) The provisions of Section 8.3 and 7.5(a) shall be interpreted to apply to Members and former Members (and their transferees) and the provisions of this Section 8.3 shall survive the termination of this Agreement and the Liquidation and termination of the Company, and to the maximum extent not prohibited by applicable Law, for this purpose, the Company shall be treated as continuing in existence.

8.4 Fiscal Year. The fiscal year of the Company (the "**Fiscal Year**") for financial statement purposes shall be determined by the Board from time to time, and shall initially be the fiscal year ending December 31; provided that any change to the Fiscal Year shall require the Requisite Holder Consent.

8.5 Tax Treatment. For all U.S. federal, state and local tax purposes, the Investor Members shall be treated as owners of stock of Parent, and shall not be treated as economic Members of the Company.

ARTICLE IX
TRANSFER OF UNITS IN THE COMPANY

9.1 Lock-Up and Other Transfer Restrictions.

(a) Lock-Up and Transfer Restrictions. Until the twelve month anniversary of the Effective Date, each Investor Member shall hold its Preferred Units and shall not Transfer any of such Preferred Units or any right or interest therein, other than Transfers (i) to a Permitted Transferee, (ii) with the prior written consent of the Parent Members, and (iii) in connection with a *bona fide* margin loan of such Investor Member or any Transfers by the applicable lender upon the exercise of any related foreclosure right or remedy. So long as any Preferred Units are outstanding, each Parent Member shall hold its Common Units and shall not Transfer any of such Common Units or any right or interest therein, other than Transfers with the Requisite Holder Consent, which Requisite Holder Consent shall not be unreasonably withheld or delayed in the case of a Transfer to an Affiliate where the Common Units remain indirectly wholly-owned by Parent.

(b) Transfers in Violation. Any attempted Transfer of Units by any Member, other than in strict accordance with this Article IX, shall be null and void *ab initio* and the purported transferee shall have no rights as a Member or Assignee hereunder. No Member shall intentionally avoid the provisions of this Agreement by making one or more Transfers to one or more Permitted Transferees and then disposing of all or any portion of such party's interest in any such Permitted Transferee, and any such Transfer or attempted Transfer in violation of this covenant shall be null and void *ab initio*.

(c) Authorized Transfer. Any Transfer allowed under this Section 9.1, including any Transfer occurring after the twelve month anniversary of the Effective Date, is referred to herein as an "**Authorized Transfer**."

9.2 Conditions to Authorized Transfers.

(a) Without limiting the restrictions on Transfer and other terms of Section 9.1, a Member shall be entitled to make an Authorized Transfer only upon satisfaction of each of the following conditions, unless waived by the Board:

(i) such Transfer does not require the registration or qualification of such Units pursuant to any applicable federal, state or provincial securities Laws;

(ii) such Transfer does not result in a violation of applicable Laws;

(iii) such Transfer would not, in the opinion of legal counsel to the Company, cause any portion of the assets of the Company to constitute assets of any employee benefit plan pursuant to Department of Labor Regulations Section 2510.2-101, as modified by Section 3(42) of ERISA as may be amended form time to time;

(iv) such Transfer is not made to any Person who, at the time of such Transfer, lacks the legal right, power or capacity to own Units;

(v) such Transfer does not cause the Company to become a reporting company under the Exchange Act;

(vi) if such Transfer is to a U.S. Person, such Transfer is to an "**accredited investor**" (as defined in Regulation D promulgated under the Securities Act) and would not disqualify the Company from being able to rely on Rules 506(b) or 506(c) of Regulation D under the Securities Act;

(vii) such Transfer is not made to any Person who would subject the Company to the "**bad actor**" disqualification provisions in Rule 506(d) of Regulation D of the Securities Act; and

(viii) the Board receives written instruments that are in a form reasonably satisfactory to the Board and the Company Representative (including (A) copies of any instruments of Transfer, and (B) such Assignee's consent to be bound by this Agreement as an Assignee).

9.3 Effect of Transfers. Upon any Transfer effected in compliance with this Article IX, unless otherwise expressly set forth in this Agreement, the Assignee of the transferred Units shall become a Substitute Member and shall be entitled to receive the Distributions and allocations of income, gain, loss, deduction, credit or similar items to which the transferring Member would be entitled with respect to such Units and be entitled to exercise any of the other rights of a Member with respect to the transferring Member's Units.

9.4 Admission of Assignees as Substitute Members. Unless otherwise expressly set forth in this Agreement, an Assignee of all or any portion of the Units of a Member shall become a Substitute Member of the Company.

9.5 Cessation of Member.

(a) Events Resulting in Cessation of Member. Any Member shall cease to be a Member of the Company upon the earliest to occur of any of the following events:

(i) such Member's withdrawal from the Company pursuant to Section 9.6(a);

(ii) as to any Member that is not an individual, the filing of a certificate of dissolution, or its equivalent, for such Member;

(b) Upon any Member ceasing to be a Member pursuant to Section 9.5(a), such Member or its successor in interest shall become an Assignee of its Units, entitled to receive the Distributions and allocations of income, gain, loss, deduction, credit or similar items to which such Member would have been entitled as a Member with respect to such Units but shall not be entitled to exercise any of the other rights of a Member in, or have any duties or other obligations of a Member with respect to, such Units unless and until the Board has consented in writing to such Assignee being admitted as a Substitute Member. No such Member shall have a right to a return of its Capital Contribution.

9.6 Withdrawal of Members Upon Transfer.

(a) If a Member has Transferred all of its Units in one or more Authorized Transfers or otherwise in compliance with this Agreement, then such Member shall withdraw from the Company on the date upon which each Assignee of such Units has been admitted as a Substitute Member, and such Member shall no longer be entitled to exercise any rights or powers of a Member under this Agreement.

(b) No Member shall have the right to withdraw from the Company other than pursuant to Section 9.6(a).

9.7 After-Acquired Securities. All of the provisions of this Agreement shall apply to all of the Units now owned or which may be issued or transferred hereafter to a Member in consequence of any additional issuance, purchase, exchange or reclassification of any of such Units, corporate reorganization, or any other form of recapitalization, consolidation, merger, share split or share dividend, or which are acquired by a Member in any other manner.

ARTICLE X
EVENTS OF DISSOLUTION

10.1 Dissolution. Subject to Section 6.3(b), the Company shall be dissolved upon the affirmative vote or consent of Members owning Voting Units representing at least a Majority Interest, and the Requisite Holder Consent (each, an "**Event of Dissolution**"). The Members hereby agree that the Company shall not dissolve prior to the occurrence of an Event of Dissolution and that no Member shall seek a dissolution of the Company under Section 18-802 of the Act. No other event, including the retirement, withdrawal, insolvency, liquidation, dissolution, insanity, resignation, expulsion, bankruptcy, death, incapacity or adjudication of incompetency of a Member, shall cause the existence of the Company to terminate.

ARTICLE XI
TERMINATION

11.1 Liquidation. If an Event of Dissolution shall occur, then the Company shall be liquidated and its affairs shall be wound up. All proceeds from such liquidation shall be distributed as set forth below, in accordance with the provisions of Section 18-804 of the Act:

(a) to creditors, including Members who are creditors to the extent permitted by Law, in satisfaction of the Company's liabilities; and

(b) then, to the Members in accordance with Section 6.4.

11.2 Final Accounting. In the event of the dissolution of the Company, prior to any liquidation, (i) a proper accounting shall be made to the Members from the date of the last previous accounting to the date of dissolution and (ii) a final allocation of all items of income, gain, loss, deduction and credit in accordance with Article VII, only in the event that the Company is considered a partnership for U.S. tax purposes, shall be made in such a manner that, immediately before distribution of assets pursuant to Section 12.1(b), the positive balance of the Capital Account of each Member shall, to the greatest extent possible, be equal to the net amount that would so be distributed to such Member (and any non-cash assets to be distributed will first be written up or down to their fair market value, thus creating hypothetical gain or loss (if any), which resulting hypothetical gain or loss shall be allocated to the Members' Capital Accounts in accordance with the requirements of Treasury Regulation Section 1.704-1(b) and other applicable provisions of the Code and this Agreement).

11.3 [Intentionally Omitted]

11.4 Cancellation of Certificate.Upon the completion of the winding up of the Company's affairs and distribution of the Company's assets, the Company shall be terminated and the Members shall cause the Company to execute and file a Certificate of Cancellation in accordance with Section 18-203 of the Act.

ARTICLE XII
EXCULPATION AND INDEMNIFICATION

12.1 Exculpation. Notwithstanding any other provisions of this Agreement, whether express or implied, or obligation or duty at Law or in equity, none of (a) the Members, the Directors or the Company Representative, any officers, directors, managers, stockholders, partners, members, employees, representatives or agents of any of the foregoing, any director, manager, officer, employee, representative or agent of the Company or any of its Affiliates, any Parent Related Party or any Investor Related Party (collectively, the "**Covered Persons**") or (b) any former Covered Person, shall be liable to the Company or any Member for any act or omission in relation to the Company, any Company Subsidiary, this Agreement, the management or administration of the Company or any Company Subsidiary or in connection with the business or affairs of the Company or any Company Subsidiary or the activities of such Covered Person taken or omitted in good faith by a Covered Person on behalf of the Company or any Company Subsidiary; provided that a court of competent jurisdiction shall not have determined that such act or omission constitutes (i) fraud, willful misconduct, bad faith or gross negligence, or (ii) a criminal act by such Person that such Person had no reasonable cause to believe was lawful (collectively, "**Disabling Conduct**"). There shall be, and each Covered Person shall be entitled to, a presumption that such Covered Person acted in good faith.

12.2 Indemnification. Subject to Section 6.3, to the fullest extent permitted by Law, the Company shall indemnify and hold harmless each Covered Person and each former Covered Person from and against any and all losses, claims, demands, liabilities, expenses, judgments, fines and settlements arising from any and all claims, demands, actions, suits or proceedings, civil, criminal, administrative or investigative ("**Claims**"), in which such Covered Person may be involved, or threatened to be involved, as a party or otherwise, by reason of its management of the affairs of the Company or that relates to or arises out of the Company or any Company Subsidiary or their respective property, business or affairs. A Covered Person or former Covered Person shall not be entitled to indemnification under this Section 12.2 with respect to (a) any Claim with respect to which a court of competent jurisdiction has determined to have resulted from such Covered Person's Disabling Conduct or (b) any Claim initiated by such Covered Person unless such Claim (or part thereof) (i) was brought to enforce such Covered Person's rights to indemnification hereunder (provided that such Covered Person is actually entitled to such indemnification hereunder). Expenses incurred by a Covered Person in defending any Claim shall be paid by the Company in advance of the final disposition of such Claim upon receipt by the Company of an undertaking by or on behalf of such Covered Person to repay such amount if it shall be ultimately determined that such Covered Person is not entitled to be indemnified by the Company as authorized by this Section 12.2. There shall be, and each Covered Person shall be entitled to, a presumption that such Covered Person acted in good faith.

12.3 Effect of Modification. Any repeal, modification or termination of this Article XII (including any termination of this Agreement in whole or in part) shall not adversely affect any rights of such Covered Person pursuant to this Article XII, including the right to indemnification and to the advancement of expenses of a Covered Person existing at the time of such repeal, modification or termination with respect to any acts or omissions occurring prior to such repeal, modification or termination.

12.4 Non-exclusivity of Rights. The rights conferred on any Covered Person by this Article XII shall not be exclusive of any other rights that such Covered Person may have or hereafter acquire under any statute, provision of this Agreement, agreement, vote of members or disinterested Directors or otherwise.

ARTICLE XIII
AMENDMENT TO AGREEMENT

13.1 Amendments. Subject to the consent rights of the Holders set forth this Agreement, amendments to this Agreement and to the Certificate of Formation shall be approved in writing by the affirmative vote of holders of Voting Units issued and outstanding and entitled to vote representing at least a Majority Interest. An amendment shall become effective as of the date specified in the Members' approval, as applicable, or, if none is specified, as of the date of such approval or as otherwise provided in the Act. Copies of any amendments to this Agreement and to the Certificate of Formation shall be promptly given to the Investor Members.

ARTICLE XIV
GENERAL PROVISIONS

14.1 Notices.

(a) Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be delivered in Person, transmitted by e-mail or similar means of recorded electronic communication (in which case it may be executed by electronic signatures and electronic pdf signatures (including by email or scanned pages)) or sent by registered mail, charges prepaid, addressed as follows:

(i) If to the Company, the Parent or any Parent Member:

c/o The Real Brokerage Inc.
133 Richmond Street West Suite 302 Toronto, Ontario M5H 2L3

Attention: Tamir Poleg
Email: [*redacted*]

with a copy (which shall not constitute notice) to: Gowling WLG (Canada) LLP

1 First Canadian Place,
100 King Street West, Suite 1600, Toronto, Ontario, M5X 1G5

Attention: Jason A. Saltzman
Email: *[redacted]*

(ii) If to the Investor Members or their Affiliates:

c/o Insight Partners
1114 Avenue of the Americas, Floor 36 New York, NY 10036

Attention: Andrew Prodromos
Deputy General Counsel and Chief Compliance Officer
E-mail: *[redacted]*

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

Willkie Farr & Gallagher LLP
787 Seventh Avenue
New York, NY 10019

Attention: Robert A. Rizzo
Email: *[redacted]*

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

Stikeman Elliott LLP
5300 Commerce Court West
199 Bay Street
Toronto, Ontario M5L 1B9

Attention: Jonah Mann
E-mail: [*redacted*]

If to a Member other than the Parent Members, the Investor Members or any of their respective Affiliates, to the address of such Member specified on Schedule A hereto.

(b) Any such notice or other communication shall be deemed to have been given and received on the day on which it was delivered or transmitted by email or personally by hand (or, if such day is not a Business Day or if delivery or transmission is made on a Business Day after 5:00 p.m. (Toronto time) (or, in the case of an Optional Exchange Notice, after 11:59 p.m. (Toronto time) at the place of receipt, then on the next following Business Day)) or, if mailed by internationally recognized courier, on the Business Day following the date of mailing.

(c) Such addresses may be changed, from time to time, by means of a notice given in the manner provided in this Section 14.1.

14.2 Publicity; Confidentiality.

(a) None of the Members shall issue a press release or public announcement or otherwise make any disclosure concerning this Agreement, the transactions contemplated hereby or any information or materials received or otherwise relating to the Company or the Company Subsidiaries, any understandings, agreements or other arrangements between or among the parties, and any other non-public information received from or otherwise relating to the Company or the Company Subsidiaries (regardless of whether such information or materials have been designated by the Board or any other Person as confidential) without approval by the Board.

(b) Notwithstanding the foregoing, nothing in this Agreement shall restrict any of the parties from disclosing information (i) that is already publicly available, (ii) that was known to such party on a non-confidential basis prior to its disclosure by another party, (iii) that may be required or appropriate in response to any summons or subpoena or in connection with any litigation, provided that such party shall use reasonable efforts to notify the disclosing party in advance of such disclosure so as to permit the disclosing party to seek a protective order or otherwise contest such disclosure, and such party shall use reasonable efforts to cooperate, at the expense of the disclosing party, with the disclosing party in pursuing any such protective order, (iv) in order to comply with any applicable Law, (v) to the directors, managers, officers, advisors, employees, controlling persons, auditors or counsel of any of the parties hereto, (vi) that may be required or reasonably appropriate in response to any request from a Governmental Authority with jurisdiction over such party, (vii) as part of such Member's or its Affiliates reporting to their respective investors in the ordinary course of business, or in connection with such Member's or its Affiliates' normal fund raising, and marketing activities, in each case, consisting of (X) information about the investment, (Y) financial-related information and (Z) a general description of the Company's business and so long as any recipient of such information is subject to customary confidentiality obligations to such Member or Affiliate, (viii) to potential third-party purchasers of a Member's Units, or (ix) as part of general public disclosure made by Parent pursuant to applicable Canadian securities laws and consistent with its past practice. Each Member and the Company acknowledges and agrees that the certain of the Members and their respective Affiliates may currently be invested in, may invest in, or may consider investments in companies that compete either directly or indirectly with the Parent and its Subsidiaries, or operate in the same or similar business as the Parent and its Subsidiaries, and that nothing herein shall be in any way construed to prohibit or such Members or their respective Affiliates' ability to maintain, make or consider such other investments; provided, however, that no confidential information regarding the Company or the Company's Subsidiaries is used or disclosed in connection with such activities.

14.3 Entire Agreement. This Agreement and the Transaction Agreements, together with all Schedules hereto and all other agreements referenced herein and therein, shall constitute the entire agreement between the parties hereto relating to the subject matter hereof and supersedes all prior contracts, agreements, discussions and understandings between them. No course of prior dealings between the parties shall be relevant to supplement or explain any term used in this Agreement. Acceptance or acquiescence in a course of performance rendered under this Agreement shall not be relevant to determine the meaning of this Agreement even though the accepting or the acquiescing party has knowledge of the nature of the performance and an opportunity for objection. No provisions of this Agreement may be waived other than by an instrument in writing executed by the party effecting such waiver. No waiver of any terms or conditions of this Agreement in one instance shall operate as a waiver of any other term or condition or as a waiver in any other instance.

14.4 Supremacy. If during the term of this Agreement any of its provisions are found to conflict with any provision of any of the Transaction Agreements, the provisions of this Agreement shall prevail as among the parties and each such party shall, whenever necessary, exercise all voting and other rights (to the extent applicable) and powers available to such party to cause the amendment, waiver or suspension of the relevant provision of such Transaction Agreement to the extent necessary for the provisions of this Agreement to prevail.

14.5 Company Subsidiaries. Notwithstanding anything to the contrary in this Agreement, the obligations of the Company under this Agreement to cause any Company Subsidiary, if applicable, to take any action or refrain from taking any action shall continue only for so long and to the extent the Company has the legal capacity to do so by virtue of its direct or indirect ownership of such Company Subsidiary or otherwise.

14.6 Counterparts. This Agreement may be signed by facsimile, electronic signature or via email as a portable document format and in any number of counterparts with the same effect as if the signatures to each counterpart were upon a single instrument, and all such counterparts together shall be deemed an original of this Agreement. This Agreement shall become effective when, and only when, each party hereto shall have received a counterpart hereof signed by all of the other parties hereto.

14.7 Interpretation. The parties hereto acknowledge and agree that (a) each party hereto and its counsel reviewed and negotiated the terms and provisions of this Agreement and have contributed to its revision, (b) the rule of construction to the effect that any ambiguities are resolved against the drafting party shall not be employed in the interpretation of this Agreement and (c) the terms and provisions of this Agreement shall be construed fairly as to all parties hereto, regardless of which party was generally responsible for the preparation of this Agreement.

14.8 Severability. If any provision of this Agreement is held to be invalid or unenforceable for any reason, such provision shall be ineffective to the extent of such invalidity or unenforceability; provided, however, that the remaining provisions will continue in full force without being impaired or invalidated in any way. Otherwise, the Members agree to replace any invalid or unenforceable provision with a valid provision which most closely approximates the intent and economic effect of the invalid or unenforceable provision.

14.9 Governing Law. This Agreement and all matters, claims or actions (whether at law, in equity, in contract, in tort or otherwise) based upon, arising out of or relating to this Agreement or the negotiation, execution or performance of this Agreement, shall be interpreted and enforced in accordance with, and the respective rights and obligations of the parties shall be governed by, the Laws of the State of Delaware applicable to contracts executed in and to be performed entirely within that State, regardless of the Laws that might otherwise govern under any applicable conflict of Laws principles.

14.10 WAIVER OF JURY TRIAL. EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE IT HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY MATTER, CLAIM OR ACTION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT AND ANY OF THE AGREEMENTS DELIVERED IN CONNECTION HEREWITH OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (A) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF ANY MATTER, CLAIM OR ACTION, SEEK TO ENFORCE THE FOREGOING WAIVER, (B) IT UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF SUCH WAIVER, (C) IT MAKES SUCH WAIVER VOLUNTARILY AND (D) IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVER AND CERTIFICATIONS IN THIS SECTION 14.10.

14.11 Binding Effect. This Agreement shall be binding upon, and inure to the benefit of, the Members.

14.12 Additional Documents and Acts. Each Member agrees to execute and deliver such additional documents and instruments and to use its reasonable best efforts to perform such additional acts as may be reasonably necessary or appropriate under applicable Law to effectuate, carry out and perform all of the terms, provisions, and conditions of this Agreement and of the transactions contemplated hereby.

14.13 No Third-Party Beneficiary. This Agreement is made solely for the benefit of the parties hereto and no other person shall have any rights, interest, or claims hereunder or otherwise be entitled to any benefits under or on account of this Agreement as a third- party beneficiary or otherwise, except for the rights of the Covered Persons pursuant to Article XII, and the Member Related Parties pursuant to Section 14.14.

14.14 Non-Recourse. Notwithstanding anything to the contrary in this Agreement, (a) this Agreement may only be enforced against, and any action, dispute, claim, suit or other proceeding for breach of this Agreement may only be made against, the Persons that are expressly identified herein and/or are parties hereto, (b) none of (i) the former, current and future Affiliates, directors, officers, managers, employees, advisors, representatives, shareholders, members, managers, partners, successors and assigns of the Investor Members or any Affiliate thereof or any former, current and future Affiliate, director, officer, manager, employee, advisor, representative, shareholder, member, manager, partner, successor and assign of any of the foregoing (collectively, "**Investor Related Parties**") or (ii) the former, current and future Affiliates, directors, officers, managers, employees, advisors, representatives, shareholders, members, managers, partners, successors and assigns of the Parent Members or any Affiliate thereof or any former, current and future Affiliate, director, officer, manager, employee, advisor, representative, shareholder, member, manager, partner, successor and assign of any of the foregoing (together with the Investor Related Parties, the "**Member Related Parties**") shall have any liability for any liabilities or obligations of the parties hereto for any action, dispute, claim, suit or other proceeding (whether in tort, contract or otherwise) for breach of this Agreement or in respect of any representations made or alleged to be made in connection herewith, (c) the Company or any other Member or their respective Affiliates shall have no rights of recovery in respect hereof against any Member Related Party and (d) no personal liability shall attach to any Member Related Party through the Members or otherwise, whether by or through attempted piercing of the corporate veil, by or through an action, dispute, claim, suit or other proceeding (whether in tort, contract or otherwise), by the enforcement of any judgment, fine or penalty or by virtue of any statute, regulation or other applicable Law, or otherwise; provided that, for the avoidance of doubt, nothing in this Section 14.14 shall restrict or limit the rights or obligations of a Person under any other Transaction Agreement to which such Person is a party.

14.15 Successors and Assigns. This Agreement is personal to the parties hereto and shall not be capable of assignment; it being understood that the foregoing shall not be read to limit any Transfer pursuant to and in accordance with Article IX. All the terms and provisions of this Agreement shall inure to the benefit of and be binding upon each of the parties hereto and their respective successors and permitted transferees, if any.

14.16 Jurisdiction; Service of Process. All matters, claims or actions arising out of or relating to this Agreement shall be heard and determined in the Chancery Court of the State of Delaware (or, if the Chancery Court of the State of Delaware declines to accept jurisdiction over any matter, claim or action, any state or federal court within the State of Delaware) and appellate courts therefrom and the parties hereto hereby irrevocably submit to the exclusive jurisdiction and venue of such courts in any such matter, claim or action and irrevocably waive the defense of an inconvenient forum or lack of jurisdiction to the maintenance of any such matter, claim or action. The consents to jurisdiction and venue set forth in this Section 14.16 shall not constitute general consents to service of process in the State of Delaware, shall have no effect for any purpose except as provided in this Section 14.16 and shall not be deemed to confer rights on any Person other than the parties hereto. Each party hereto agrees that service of process upon such party in any matter, claim or action arising out of or relating to this Agreement shall be effective if notice is given by overnight courier at the address set forth in Section 14.1 of this Agreement. The parties hereto agree that a final judgment in any such matter, claim or action shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by applicable Law; provided that, nothing in the foregoing shall restrict any party's rights to seek any post-judgment relief regarding, or any appeal from, a final trial court judgment.

14.17 Specific Performance. The Company and each Member hereby confirm that damages at law would be an inadequate remedy for a breach or threatened breach of this Agreement and agree that, in the event of a breach or threatened breach of any provision hereof, the respective rights and obligations hereunder shall be enforceable by specific performance, injunction or other equitable remedy sought in a court of competent jurisdiction, but nothing herein contained is intended to, nor shall it, limit or affect any right or rights at law or by statute or otherwise of the Company or a Member aggrieved as against the Company or another Member for a breach or threatened breach of any provision hereof, it being the intention by this Section to make clear the agreement of the Company and the Members that the respective rights and obligations of the Company and the Members hereunder shall be enforceable in equity as well as at law or otherwise and that the mention herein of any particular remedy shall not preclude the Company or a Member from seeking any other remedy it or he might have, either in law or in equity.

14.18 Liability of Holders; Several Obligations.

(a) The obligations of the Holders hereunder are several, and not joint.

(b) In furtherance and not in limitation of Section 4.7, no Holder shall have (i) any liability to any other Holder for any vote, consent, approval or decision taken or not taken by it, or given or not given by it, under this Agreement or (ii) any fiduciary duties or responsibilities to any other Holders hereunder, and no implied covenants, functions, responsibilities, duties, obligations or liabilities to any other Holders shall otherwise exist hereunder.

[SIGNATURE PAGES FOLLOWS]

IN WITNESS WHEREOF this Agreement has been executed by the parties on the date first written above.

THE REAL BROKERAGE INC.

By: signed "Tamir Poleg"
Name: Tamir Poleg
Title: Chief Executive Officer

REAL PIPE, LLC

By: signed "Michelle Ressler"
Name: Michelle Ressler
Title: Manager

INVESTORS:

INSIGHT PARTNERS XI, L.P.

By: Insight Associates XI, L.P., its general partner
By: Insight Associates XI, Ltd., its general partner

By: *signed "Andrew Prodromos"*
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS (CAYMAN) XI, L.P.

By: Insight Associates XI, L.P., its general partner
By: Insight Associates XI, Ltd., its general partner

By: signed "Andrew Prodromos"
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS XI (CO-INVESTORS), L.P.

By: Insight Associates XI, L.P., its general partner
By: Insight Associates XI, Ltd., its general partner

By: signed "Andrew Prodromos"
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS XI (CO-INVESTORS) (B), L.P.

By: Insight Associates XI, L.P., its general partner
By: Insight Associates XI, Ltd., its general partner

By: *signed "Andrew Prodromos"*
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS (DELAWARE) XI, L.P.

By: Insight Associates XI, L.P., its general partner
By: Insight Associates XI, Ltd., its general partner

By: *signed "Andrew Prodromos"*
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS (EU) XI, S.C.Sp.

By: Insight Associates (EU) XI, S.a.r.l., its general partner

By: *signed "Andrew Prodromos"*
Name: Andrew Prodromos
Title: Authorized Officer

SCHEDULE A
MEMBERSHIP INTERESTS

Shareholder	Securities		Issue Date	Cost
	Designation	**Quantity**		
The Real Brokerage Inc.	Common Units	1000	2020/11/6	USD $1000
Insight Partners XI, L.P.	Preferred Units	7,187,947	2020/12/2	CAD$7,935,493.49
Insight Partners XI (Co- Investors), L.P.	Preferred Units	119,693	2020/12/2	CAD $132,141.07
Insight Partners XI (Co- Investors) (B), L.P.	Preferred Units	164,970	2020/12/2	CAD $182,126.88
Insight Partners (Cayman) XI, L.P.	Preferred Units	7,874,762	2020/12/2	CAD $8,693,737.25
Insight Partners (Delaware) XI, L.P.	Preferred Units	1,005,470	2020/12/2	CAD $1,110,038.88
Insight Partners (EU) XI, S.C.Sp.	Preferred Units	934,000	2020/12/2	CAD $1,031,136.00

SCHEDULE B
DIRECTORS AND OFFICERS

Michelle Ressler - Manager

EXHIBIT E

WARRANT CERTIFICATE

THIS WARRANT AND THE SECURITIES DELIVERABLE UPON EXERCISE HEREOF HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"). THIS WARRANT MAY NOT BE EXERCISED IN THE UNITED STATES OR BY OR ON BEHALF OF A U.S. PERSON OR PERSON IN THE UNITED STATES UNLESS THE SHARES ISSUABLE UPON EXERCISE OF THIS WARRANT HAVE BEEN REGISTERED UNDER THE U.S. SECURITIES ACT AND THE APPLICABLE SECURITIES LEGISLATION OF ANY SUCH STATE OR EXEMPTIONS FROM SUCH REGISTRATION REQUIREMENTS ARE AVAILABLE. "UNITED STATES" AND "U.S. PERSON" ARE AS DEFINED BY REGULATION S UNDER THE U.S. SECURITIES ACT.

WARRANT CERTIFICATE

THE REAL BROKERAGE INC.

CERTIFICATE NO. •

This is to certify that for value received

[Insert Name and Address of Holder]

(the "**Holder**") is the registered holder of • warrants (each a "**Warrant**"), each warrant evidencing a right issued by The Real Brokerage Inc. (the "**Corporation**") to the Holder to subscribe for and purchase one (1) fully paid and non-assessable voting common share in the capital of the Corporation without nominal or par value (a "**Common Share**") at the Exercise Price (as hereinafter defined), upon the terms and conditions as hereinafter set forth. The number of Common Shares which the Holder is entitled to acquire upon exercise of the Warrants and the Exercise Price are subject to adjustment as hereinafter provided.

1. Expiry Date

Subject to Section 2, the rights granted hereunder to purchase Common Shares shall be exercised at the option of the Holder, at all times, on or before 5:00 p.m. (Toronto time) on December 2, 2025 (the "**Expiry Date**"), after which all rights conferred hereunder shall be void and of no further value.

2. Acceleration of Expiry Date

Notwithstanding anything contained in Section 1, upon the occurrence of a Forced Exchange Event (as such term is defined in the amended and restated limited liability company agreement of REAL PIPE, LLC dated the date hereof among the Corporation, REAL PIPE, LLC and the entities listed as members on the signature pages thereto (the "**LLC Agreement**")), the Corporation may, at its option, accelerate the Expiry Date by issuing to the Holder a written notice (a "**Acceleration Notice**") in contemplation of a Forced Exchange Event and, in such case, the Expiry Date shall be deemed to be: (a) in the case of (i) and (ii) of the definition of a Forced Exchange Event, 5:00 p.m. (Toronto time) on the 15th day following the issuance of the Acceleration Notice and (b) in the case of (iii) of the definition of a Forced Exchange Event, concurrent with the Change of Control (as such term is defined in the LLC Agreement).

3. Exercise Price

The price at which the Warrants may be exercised until the Expiry Date, is $1.90 per Common Share payable in lawful money in Canada (the "**Exercise Price**"), subject to adjustments as set forth herein.

4. Payment

The Warrants granted hereunder may be exercised (a "**Non-Conditional Exercise**") by the Holder hereof completing the exercise form attached hereto and made a part hereof (the "**Exercise Form**") and delivering same to the principal office of the Corporation, in the City of Toronto, in the Province of Ontario, or such other address in Canada as may be specified in writing by the Corporation, together with this Warrant Certificate and the aggregate Exercise Price therefor (the "**Other Exercise Deliverables**"); provided that, if the Holder elects to exercise its rights evidenced by this Warrant Certificate by delivering to the Corporation a completed Exercise Form along with the Other Exercise Deliverables in contemplation of a Forced Exchange Event (a "**Conditional Exercise**"), then such election to exercise the Holder's rights evidenced by this Warrant Certificate in contemplation of a Forced Exchange Event will be effective immediately prior to, and conditional upon, the completion of such Forced Exchange Event. In the case of (a) a Non-Conditional Exercise, the date on which the Holder elects to exercise its rights evidenced by this Warrant Certificate by delivering to the Corporation a completed Exercise Form along with the Other Exercise Deliverables, and (b) a Conditional Exercise, the point in time that is immediately prior to the completion of the applicable Forced Exchange Event, in each case, will be the "**Exercise Date**".

The aggregate Exercise Price is payable by cash, by certified cheque, bank draft or wire transfer of funds payable in Canadian dollars to or to the order of the Corporation.

5. Share Certificate

On the Exercise Date, the Corporation will cause that number of Common Shares specified in the Exercise Form to be issued to the person or persons specified in the Exercise Form, which Common Shares so purchased shall be issued as fully paid and non-assessable shares.

Promptly after the Exercise Date and, in any event, within three days of the Exercise Date, the Corporation will, at the Holder's discretion, either (a) issue and deliver to the Holder, registered in such name or names as is specified in the Exercise Form, a certificate or certificates for the number of Common Shares making up the Common Shares specified in the Election Form, or (b) enter into the Corporation's direct registration or other electronic book-entry system such name or names as is specified in the Exercise Form, as the registered owner(s) of the number of Common Shares making up the Common Shares specified in the Election Form (the "**DRS Entry**"), and will deliver to the person or persons specified in the Exercise Form the written notice or notices confirming the issuance thereof (the "**DRS Advices**"). To the extent permitted by law, such exercise will be deemed to have been effected as of the Exercise Date. At such time, the rights of the Holder with respect to the number of Warrants which have been exercised as such will cease, and the person or persons (x) to whom any certificate or certificates for Common Shares will then be issuable upon such exercise, or (y) to be reflected in the DRS Entity and to whom the DRS Advices will then be delivered upon such exercise, in each case, will be deemed to have become the holder or holders of record of the Common Shares represented thereby.

6. Exercise in Whole or in Part

The Warrants may be exercised in whole or in part, and if exercised in part, the Corporation shall issue another Warrant Certificate evidencing the remaining Warrants to purchase Common Shares, provided that the right to exercise any such remaining Warrants shall terminate on the Expiry Date.

7. No Rights of Shareholder Until Exercise

The Holder hereof shall have no rights whatsoever as a shareholder of the Corporation (including any right to receive dividends or other distributions or to vote at meetings of the shareholders of the Corporation), other than with respect to Common Shares in respect of which the Holder shall have exercised his right to purchase hereunder and which the Holder shall have fully paid for or in respect of the Preferred Units (as defined in the LLC Agreement) as specified in the LLC Agreement.

8. No Fractional Common Shares

No fractional Common Shares will be issued upon exercise of the Warrants and the number of Common Shares to be issued upon exercise of the Warrants shall be rounded down to the next whole number of Common Shares. The Corporation shall, in lieu of issuing any fractional Common Share to which the holder hereof would otherwise be entitled, pay to the holder entitled to such fractional Common Share an amount in cash equal to such fraction multiplied by the Current Market Price (as such term is defined in Section 14).

9. Transfer of Warrants

During the period that begins on the date hereof and terminates on the date that is the first anniversary of the date hereof (the "**Restricted Period**"), the Holder will not transfer the Warrants or enter into any transaction that transfers, in whole or in part, directly or indirectly, the economic consequences of ownership of any of their Warrants, provided that the foregoing restrictions shall not apply (assuming compliance with applicable Securities Laws):

(a) in respect of a transfer of Warrants between the Holder and its affiliates or a transfer of Warrants among affiliates of the Holder, provided that the Holder shall be responsible for any breach of this Agreement by their affiliates;

(b) in respect of any transfer of Warrants in connection with a Change of Control, take-over bid, issuer bid, amalgamation, merger, business combination, arrangement or other statutory procedure involving the Corporation;

(c) in connection with any other transfer approved by a majority of the directors of the board of directors of the Corporation;

(d) in respect of any direct or indirect transfer of a partnership interest in a private equity or similar investment fund that, when aggregated with its parallel funds and alternative investment vehicles, is established to make investments in multiple portfolio companies and not primarily to invest in the Corporation; or

(e) in connection with a pledge of the Warrants to secure the obligations of the Holder or its under a bona fide margin loan or any transfers by the applicable lender upon the exercise of any related foreclosure right or remedy.

Following the expiration of the Restricted Period, the Holder shall not be restricted from transferring any of the Warrants owned by the Holder (assuming compliance with applicable Securities Laws).

10. Substitution for Lost Warrants

Upon receipt of evidence satisfactory to the Corporation, acting reasonably, of the loss, theft, destruction or mutilation of this Warrant Certificate, the Corporation will issue to the Holder a replacement certificate (containing the same terms and conditions as this Warrant Certificate). All expenses incurred by the Corporation in connection with the issuance of a replacement Warrant Certificate shall be the responsibility of the Holder.

11. Covenants by the Corporation

The Corporation hereby covenants and agrees as follows:

(a) it will at all times maintain its corporate existence;

(b) it will reserve and there will remain unissued out of its authorized capital a sufficient number of Common Shares to satisfy the rights of acquisition provided for in this Warrant Certificate;

(c) all Common Shares issued upon exercise of the Warrants to purchase Common Shares provided for herein shall, upon payment of the aggregate Exercise Price therefor, be issued as fully paid and non-assessable shares;

(d) while any Warrants remain outstanding, it shall use its commercially reasonable efforts to remain listed on the TSX Venture Exchange (the "**TSXV**") (and any other Canadian nationally recognized stock exchange on which the Corporation has applied to list its Common Shares), and shall maintain its status as a "reporting issuer" not in default of the requirements of the applicable securities laws in the Canadian jurisdictions in which the Corporation is a reporting issuer;

(e) it will not by any action including, amending the organizational documents of the Corporation, or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other action, to avoid or seek to avoid the observance or performance of any of the terms of this Warrant Certificate;

(f) upon receipt of evidence satisfactory to the Corporation of the ownership of and the loss, theft, destruction or mutilation of this Warrant Certificate and, in the case of any such loss, theft or destruction, upon receipt of indemnity or security satisfactory to the Corporation or, in the case of any such mutilation, upon surrender and cancellation of such Warrant Certificate, the Corporation will make and deliver, in lieu of such lost, stolen, destroyed or mutilated Warrant Certificate, a new Warrant Certificate of like tenor and representing the right to purchase the number of Common Shares remaining available upon exercise of the Warrant Certificate which has been lost, stolen, destroyed or mutilated; and

(g) if the issuance of the Common Shares upon the exercise of the Warrants requires on the part of the Corporation any filing or registration with or approval of any securities regulatory authority or other governmental authority or compliance with any other requirement under any law before such Common Shares may be validly issued (other than the filing of a prospectus or similar disclosure document), the Corporation agrees to take such actions as may be necessary to secure such filing, registration, approval or compliance, as the case may be.

12. Representations and Warranties of the Corporation

The Corporation hereby represents and warrants that:

(a) the Corporation is a corporation duly organized, validly existing and in good standing under the laws of the Province of British Columbia and has all requisite corporate capacity, power and authority to carry on its business, and to own its properties and assets;

(b) it is duly authorized and has all necessary corporate power and authority to create and issue the Warrants evidenced hereby and the Common Shares issuable upon the exercise of the Warrants, which Common Shares have been allotted and conditionally reserved for issuance;

(c) it has received the TSXV Approval (as such term is defined in the securities subscription agreement dated the date hereof among the Corporation, REAL PIPE, LLC and the entities listed as investors on the signature pages thereto);

(d) this Warrant Certificate has been duly executed and the Warrants evidenced hereby represent a valid, legal and binding obligation of the Corporation enforceable in accordance with its terms, and the Corporation has the power and authority to issue the Warrants and to perform its obligations hereunder; and

(e) the execution and delivery of this Warrant Certificate (i) is not, and the issuance of the Common Shares upon exercise of the Warrants in accordance with the terms hereof will not violate or contravene the Corporation's articles or by-laws, (ii) does not and will not contravene any law, governmental rule or regulation, judgment or order applicable to the Corporation, (iii) does not and will not contravene any provision of, or constitute a default under, any indenture, mortgage, contract or other instrument of which the Corporation is a party or by which it is bound and (iv) does not and will not require the consent or approval of, the giving of notice to, the registration with or the taking of any action in respect of or by, any Canadian federal, provincial or local government authority or agency or other person.

13. No Obligation of Holder

The parties agree that the Holder shall have no obligation to the Corporation to exercise the Warrants.

14. Adjustment of Number of Common Shares

For the purpose of this Section 14, the following terms shall have the following meaning:

"**Current Market Price**" means at any date the weighted average price at which the Common Shares have been traded on the TSXV during the 20 consecutive Trading Days ending one Trading Day before such date; and in the event the Common Shares are not listed on the TSXV but are listed on another stock exchange or stock exchanges in Canada, foregoing references to the TSXV shall be deemed to be references to such other stock exchange or, if more than one, to such stock exchange as is the principal trading market for the Common Shares as shall be determined by the directors of the Corporation, and in the event the Common Shares are not so traded on any stock exchange in Canada, the "**Current Market Price**" thereof shall be determined by the directors of the Corporation acting reasonably and in good faith who shall rely upon the advice of independent and qualified financial advisors with respect thereto;

"**Principal Stock Exchange**" means at any time, the TSXV or The Toronto Stock Exchange Inc., whichever then is the principal trading market for the Common Shares;

"**Subsidiary of the Corporation**" or "**Subsidiary**" means any entity of which more than fifty (50%) percent of the outstanding Voting Shares are owned, directly or indirectly, by or for the Corporation, provided that the ownership of such shares confers the right, if exercised, to elect at least a majority of the board of directors of such entity and includes any entity in like relation to a Subsidiary;

"**Trading Day**" means a day in which the Principal Stock Exchange is open for business and with respect to the over-the-counter market means a day on which the Principal Stock Exchange is open for the transaction of business; and

"**Voting Shares**" means shares or equity interests of any class of an entity carrying voting rights under all circumstances, provided that, for the purposes of this definition, shares or equity interests which only carry the right to vote conditionally on the happening of an event shall not be considered Voting Shares, whether or not such event shall have occurred, nor shall any shares or equity interests be deemed to cease to be Voting Shares solely by reason of a right to vote accruing to shares or equity interests of another class or classes by reason of the happening of any such event.

14.1 Adjustment for Number of Common Shares

The purchase rights for Common Shares in effect at any date attaching to the Warrants, and the Exercise Price in respect thereof, shall be subject to adjustment from time to time as follows. The purpose and intent of the adjustments provided for in this Section 14.1 is to ensure that the rights and obligations of the Holder are neither diminished or enhanced as a result of any of the events set forth Section 14.1. Accordingly, the provisions of this Section 14.1 shall be interpreted and applied in accordance with such purpose and intent:

(a) if and whenever at any time after the date hereof and prior to the Expiry Date, the Corporation shall:

(i) subdivide, redivide or change the outstanding Common Shares into a greater number of shares;

(ii) reduce, combine or consolidate the outstanding Common Shares into a smaller number of shares; or

(iii) issue Common Shares (or securities convertible or exchangeable into Common Shares) to the holders of all or substantially all of the outstanding Common Shares by way of a stock dividend or other distribution of Common Shares or securities convertible into Common Shares;

the Exercise Price in effect on the effective date of such subdivision, redivision, change, reduction, combination or consolidation or on the record date for such issue of Common Shares (or securities convertible or exchangeable into Common Shares) by way of a stock dividend, as the case may be, shall be adjusted to equal the price determined by multiplying the Exercise Price in effect immediately prior to such effective date or record date by a fraction of which the numerator shall be the total number of Common Shares outstanding immediately prior to such date and the denominator shall be the total number of Common Shares immediately after such date (including, in the case of the convertible securities referred to in subsection 14.1(a)(iii), the number of Common Shares that would have been outstanding had such convertible securities been exchanged for or converted into Common Shares on such record date or effective date). Such adjustment shall be made successively whenever any event referred to in this subsection 14.1(a) shall occur; any such issue of Common Shares (or securities convertible or exchangeable into Common Shares) by way of a stock dividend shall be deemed to have been made on the record date for the stock dividend for the purpose of calculating the number of outstanding Common Shares under subsections 14.1(b) and 14.1(c). Upon any adjustment of the Exercise Price pursuant to subsection 14.1(a), the number of Common Shares obtainable under each Warrant (the "**Exchange Rate**") shall be adjusted immediately after the effective date of such subdivision, redivision, change, reduction, combination or consolidation or issue of Common Shares (or securities convertible or exchangeable into Common Shares) by way of stock dividend, by multiplying the number of Common Shares which were previously obtainable on the exercise thereof by a fraction of which the numerator shall be the total number of Common Shares outstanding immediately after such date and the denominator shall be the total number of Common Shares outstanding immediately prior to such date. Such adjustments shall be made successively whenever any event referred to in this subsection 14.1(a) shall occur;

(b) if and whenever at any time after the date hereof and prior to the Expiry Date the Corporation shall fix a record date for the distribution to all or substantially all of the holders of Common Shares of rights, options or warrants (other than Warrants) entitling them, for a period expiring not more than forty-five (45) days after such record date, to subscribe for or purchase Common Shares (or securities convertible or exchangeable into Common Shares) at a price per share (or having a conversion or exchange price per share) less than ninety-five (95%) percent of the Current Market Price on such record date, the Exercise Price shall be adjusted immediately after such record date so that it shall equal the price determined by multiplying the Exercise Price in effect on such record date by a fraction, of which the numerator shall be the total number of Common Shares outstanding on such record date plus a number of Common Shares equal to the number arrived at by dividing the aggregate maximum proceeds of the total number of additional Common Shares offered for subscription or purchase (or the aggregate conversion or exchange price of the convertible or exchangeable securities so offered) by such Current Market Price, and of which the denominator shall be the total number of Common Shares outstanding on such record date plus the total number of additional Common Shares offered for subscription or purchase (or into which the convertible or exchangeable securities so offered are convertible or exchangeable). Any Common Shares owned by or held for the account of the Corporation or any Subsidiary shall be deemed not to be outstanding for the purpose of any such computation. Such adjustment shall be made successively whenever such a record date is fixed. To the extent that any such rights, options or warrants are not issued or any such rights, options or warrants are not exercised prior to the expiration thereof, the Exercise Price shall be readjusted to the Exercise Price which would then be in effect if such record date had not been fixed (if no such rights, options or warrants are issued) or to the Exercise Price which would then be in effect based upon the number of Common Shares (or securities convertible or exchangeable into Common Shares) actually issued upon the exercise of such rights, options or warrants, as the case may be. Upon any adjustment of the Exercise Price pursuant to this subsection 14.1(b), the Exchange Rate will be adjusted immediately after such record date so that it will equal the rate determined by multiplying the Exchange Rate in effect on such record date by a fraction, of which the numerator shall be the total number of Common Shares outstanding on such record date plus the total number of additional Common Shares so offered for subscription or purchase (or into or for which the convertible or exchangeable securities so offered are convertible or exchangeable) and of which the denominator shall be the total number of Common Shares outstanding on such record date plus a number of Common Shares equal to the number arrived at by dividing the aggregate maximum proceeds of the total number of additional Common Shares so offered for subscription or purchase (or the aggregate conversion or exchange price of the convertible or exchangeable securities so offered) by such Current Market Price. Any Common Shares owned by or held for the account of the Corporation or any Subsidiary of the Corporation shall be deemed not to be outstanding for the purpose of any such computation. Such adjustment will be made successively whenever such a record date is fixed, provided that if two or more such record dates or record dates referred to in this subsection 14.1(b) are fixed within a period of 25 Trading Days, such adjustment will be made successively as if each of such record dates occurred on the earliest of such record dates. To the extent that any such rights, option or warrants are not so issued or any such rights, options or warrants are not exercised prior to the expiration thereof, the Exchange Rate will then be readjusted to the Exchange Rate which would then be in effect if such record date had not been fixed (if no such rights, options or warrants are issued) or to the Exchange Rate which would then be in effect based upon the number of Common Shares (or securities convertible into or exchangeable for Common Shares) actually issued upon the exercise of such rights, option or warrants, as the case may be;

(c) if and whenever at any time after the date hereof and prior to the Expiry Date, the Corporation shall fix a record date for the making of a distribution to all or substantially all the holders of its outstanding Common Shares of:

(i) shares of any class other than Common Shares, whether of the Corporation or any other corporation;

(ii) rights, options or warrants to subscribe for or purchase Common Shares (excluding those referred to in subsection 14.1(b));

(iii) evidences of its indebtedness; or

(iv) other assets (including, for the avoidance of doubt, cash);

then, in each such case, the Exercise Price shall be adjusted immediately after such record date so that it shall equal the price determined by multiplying the Exercise Price in effect on such record date by a fraction, of which the numerator shall be the total number of Common Shares outstanding on such record date multiplied by the Current Market Price on such record date, less the excess, if any, of the fair market value on such record date, as determined by the directors of the Corporation, acting reasonably and in good faith in reliance on the advice of independent financial advisors (whose determination shall be conclusive), to the holders of the Common Shares of such securities, evidences of indebtedness or other assets so issued or distributed over the fair market value of any consideration received therefor by the Corporation from the holders of the Common Shares, and of which the denominator shall be the total number of Common Shares outstanding on such record date multiplied by such Current Market Price; any Common Shares owned by or held for the account of the Corporation or any Subsidiary shall be deemed not to be outstanding for the purpose of any such computation; such adjustment shall be made successively whenever such a record date is fixed; to the extent that such distribution is not so made or to the extent that any such rights, options or warrants so distributed are not exercised prior to the expiration thereof, the Exercise Price shall be readjusted to the Exercise Price which would then be in effect if such record date had not been fixed (if such distribution is not made) or to the Exercise Price which would then be in effect based upon such shares or rights, options or warrants or evidences of indebtedness or cash, securities or other property or assets actually distributed or based upon the number or amount of securities or the property or assets actually issued or distributed upon the exercise of such rights, options or warrants, as the case may be. Upon any adjustment of the Exercise Price pursuant to this subsection 14.1(c), the Exchange Rate will be adjusted immediately after such record date so that it will equal the rate determined by multiplying the Exchange Rate in effect on such record date by a fraction, of which the numerator shall be the total number of Common Shares outstanding on such record date multiplied by such Current Market Price and of which the denominator shall be the total number of Common Shares outstanding on such record date multiplied by the Current Market Price on such record date, less the aggregate fair market value (as determined by the directors of the Corporation, acting reasonably and in good faith in reliance on the advice of independent financial advisors (whose determination shall be conclusive)) of such shares or rights, options or warrants or evidences of indebtedness or cash, securities or other property or assets so distributed. Any Common Shares owned by or held for the account of the Corporation or any Subsidiary of the Corporation shall be deemed not to be outstanding for the purpose of any such computation. Such adjustment will be made successively whenever such a record date is fixed, provided that if two or more such record dates or record dates referred to in this subsection 14.1(c) are fixed within a period of 25 Trading Days, such adjustment will be made successively as if each of such record dates occurred on the earliest of such record dates. To the extent that such distribution is not so made or to the extent that any such rights, options or warrants so distributed are not exercised prior to the expiration thereof, the Exchange Rate will then be readjusted to the Exchange Rate which would then be in effect if such record date had not been fixed (if such distribution is not made) or to the Exchange Rate which would then be in effect based upon such shares or rights, options or warrants or evidences of indebtedness or cash, securities or other property or assets actually distributed or based upon the number or amount of securities or the property or assets actually issued or distributed upon the exercise of such rights, options or warrants, as the case may be;

(d) if and whenever at any time from the date hereof and prior to the Expiry Date, there is a reclassification of the Common Shares or a capital reorganization of the Corporation other than as described in subsection 14.1(a) or a consolidation, amalgamation, arrangement or merger of the Corporation with or into any other body corporate, trust, partnership or other entity, or a sale or conveyance of the property and assets of the Corporation as an entirety or substantially as an entirety to any other body corporate, trust, partnership or other entity, and the Holder has not exercised its right of acquisition prior to the effective date of such reclassification, reorganization, consolidation, amalgamation, arrangement, merger, sale or conveyance, then upon the exercise of such right thereafter, the Holder shall be entitled to receive and shall accept, in lieu of the number of Common Shares then sought to be acquired by it, the number of shares or other securities or property of the Corporation or of the body corporate, trust, partnership or other entity resulting from such merger, amalgamation, arrangement or consolidation, or to which such sale or conveyance may be made, as the case may be, that the Holder would have been entitled to receive on such reclassification, reorganization, consolidation, amalgamation, arrangement, merger, sale or conveyance, if, on the record date or the effective date thereof, as the case may be, the Holder had been the registered holder of the number of Common Shares sought to be acquired by it;

(e) in any case in which this Section 14.1 shall require that an adjustment shall become effective immediately after a record date for or effective date of an event referred to herein, the Corporation may, in its sole discretion, defer, until the occurrence of such event, issuing to the holder of any Warrant exercised after such record date or effective date of and before the occurrence of such event the additional Common Shares issuable upon such exercise by reason of the adjustment required by such event; provided, however, that the Corporation shall deliver to such holder an appropriate instrument evidencing the Holder's right to receive such additional Common Shares upon the occurrence of the event requiring such adjustment and the right to receive any distributions made on such additional Common Shares declared in favour of holders of record of Common Shares on and after the relevant date of exercise or such later date as such holder would, but for the provisions of this subsection 14.1(e), have become the holder of record of such additional Common Shares pursuant to this Section 14.1;

(f) in any case in which subsections 14.1(a)(iii), 14.1(b) or 14.1(c) require that an adjustment be made to the Exercise Price, no such adjustment shall be made if the holders of the outstanding Warrants are entitled to participate in such event on the same terms *mutatis mutandis* as if they had exercised their purchase rights prior to the effective date or record date of such event;

(g) the adjustments provided for in this Section 14.1 are cumulative, and shall, in the case of adjustments to the Exercise Price, be computed to the nearest 1/10 of one cent and, in the case of adjustments to the Exchange Rate, be computed to the nearest one-hundredth of a Common Share and shall apply to successive subdivisions, redivisions, changes, reductions, combinations, consolidations, distributions, issues or other events resulting in any adjustment under the provisions of this Section 14.1, provided that, notwithstanding any other provision of this Section 14.1, no adjustment of the Exercise Price shall be required unless such adjustment would require an increase or decrease of at least one (1%) percent in the Exercise Price then in effect; provided, however, that any adjustments which by reason of this subsection 14.1(g) are not required to be made shall be carried forward and taken into account in any subsequent adjustment;

(h) after any adjustment pursuant to this Section 14.1, the term "Common Shares" where used in this Warrant Certificate shall be interpreted to mean securities of any class or classes which, as a result of such adjustment and all prior adjustments pursuant to this Section 14.1, the Holder is entitled to receive upon the exercise of the Warrants, and the number of Common Shares indicated by any exercise made pursuant to this Warrant Certificate shall be interpreted to mean the number of Common Shares or other property or securities the Holder is entitled to receive, as a result of such adjustment and all prior adjustments pursuant to this Section 14.1, upon the full exercise of the Warrants;

(i) upon the expiry of the period for conversion of convertible securities and the exercise period for rights, options, warrants (other than rights, options or warrants in respect of which the Holder is entitled to participate, as contemplated in subsection 14.1(f)) to purchase Common Shares or convertible securities, the Exercise Price and Exchange Rate shall be adjusted to what it would have been if such unconverted securities and unexercised rights, options or warrants had not been issued;

(j) whenever Common Shares shall have been issued for non-cash consideration, in whole or in part, the issue price for such Common Shares shall be determined by the directors of the Corporation, acting reasonably and in good faith;

(k) all securities and property which the Holder is at the time in question entitled to receive on the full exercise of the Warrants, whether or not as a result of adjustments made pursuant to this Section 14, shall, for the purpose of the interpretation of this Warrant Certificate, be deemed to be securities and property which the Holder is entitled to purchase pursuant to this Warrant Certificate;

(l) if the Corporation shall set a record date to determine the holders of the Common Shares for the purpose of entitling them to receive any dividend or distribution or any subscription or purchase rights and shall, thereafter and before the distribution to such shareholders of any such dividend, distribution or subscription or purchase rights, legally abandon its plan to pay or deliver such dividend, distribution or subscription or purchase rights, then no adjustment in the Exercise Price or the Exchange Rate shall be required by reason of the setting of such record date; and

(m) in the absence of a resolution of the directors of the Corporation fixing a record date for a distribution or rights offering, the Corporation shall be deemed to have fixed as the record date therefor the date on which such distribution or rights offering is effected.

14.2 Entitlement to Common Shares on Exercise of Warrants

All shares of any class or other securities which the Holder is at the time in question entitled to receive on the exercise of the Warrants, whether or not as a result of adjustments made pursuant to this Section 14, shall, for the purposes of the interpretation of this Warrant Certificate, be deemed to be Common Shares which the Holder is entitled to acquire pursuant to such Warrants.

14.3 No Adjustment for Stock Options

Notwithstanding anything in this Section 14 to the contrary, no adjustment shall be made in the purchase rights attached to the Warrants if the issue of Common Shares is being made pursuant to this Warrant Certificate, pursuant to any stock option, stock option plan or stock purchase plan in force from time to time for officers or employees of the Corporation, or pursuant to any stock option granted by the Corporation prior to the date of this Warrant Certificate.

14.4 Determination by Corporation's Auditors

If a dispute shall at any time arise with respect to any adjustment of the Exercise Price, the number of Common Shares purchasable pursuant to this Warrant Certificate or any adjustments provided for in this Section 14, such dispute will be conclusively determined by the auditors of the Corporation or if they are unable or unwilling to act by such other firm of independent chartered accountants of recognized national standing as may be selected by the directors of the Corporation, acting reasonably and in good faith, and any such determination will be binding upon the Corporation and the Holder. The Corporation will provide such auditors or accountants with access to all necessary records of the Corporation.

14.5 Other Adjustments

If any change in the outstanding Common Shares or any other event occurs as to which the other provisions of this Section 14 are not strictly applicable or if strictly applicable would not fairly protect, or would have an adverse effect on, the purchase rights of the Holder in accordance with such provisions, then the Corporation, acting reasonably and in good faith, shall make an adjustment in the number and class of Common Shares or other securities available under the Warrants, the Exercise Price or the application of such provisions, so as to protect such purchase rights as aforesaid. The adjustment shall be such as will give the Holder upon exercise for the same aggregate Exercise Price the total number, class and kind of shares as he would have owned had the Warrants been exercised prior to the event and had the Holder continued to hold such shares until after the event requiring adjustment.

14.6 Notice of Adjustments

Whenever the Exchange Rate and/or the Exercise Price shall be adjusted pursuant to this Section 14, the Corporation shall prepare a certificate signed by its chief financial officer setting forth, in reasonable detail, the event requiring the adjustment, the amount of the adjustment, the method by which such adjustment was calculated, and the revised Exchange Rate and/or Exercise Price after giving effect to such adjustment and shall cause a copy of such certificate to be mailed to the holder of this Warrant Certificate.

15. Governing Law

This Warrant Certificate shall be governed by the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

16. Remedies

In the event of a violation, contravention, breach or threatened breach of this Warrant Certificate by the Corporation, the Holder shall be entitled to seek equitable relief including, without limitation, both temporary and permanent injunctive relief. The right of the Holder to injunctive relief shall be in addition to any and all other remedies available to it and shall not be construed to prevent it from pursuing, either consecutively or concurrently, any and all other legal or equitable remedies available to it including the recovery of monetary damages.

17. Survival of Representations and Warranties

The representations and warranties of the Corporation in this Warrant Certificate shall survive the execution and delivery of this Warrant Certificate and the consummation of the transactions contemplated hereby, notwithstanding any investigation by the Holder or its agents.

18. Interpretation Not Affected by Headings

A division of this Warrant Certificate into sections, subsections, clauses, subclauses and schedules and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation thereof.

19. Gender

Whenever used in this Warrant Certificate, unless the context otherwise requires, words importing the singular shall include the plural and vice versa, and words importing gender shall include all genders.

20. Numbering of Sections

Unless otherwise stated, a reference herein to a number or lettered section, subsection, clause, subclause or schedule refers to the section, subsection, clause, subclause or schedule bearing that number or letter in this Warrant Certificate.

21. Severability

If any covenant or provision herein or any portion hereof is determined to be void, unenforceable or prohibited by law, such invalidity, unenforceability or prohibition shall not be deemed to affect or impair the validity of any other covenant or provision herein or a portion thereof, as the case may be.

22. Register

The Corporation will keep at its office a register: (a) in which will be entered the names and addresses of holders of Warrants and particulars of the Warrants held by them; and (b) in which all transfers of Warrants and the date and other particulars of each transfer will be entered. This register will at all reasonable times be open for inspection by holders of Warrants.

23. Notices

All notices, reports or other communications required or permitted by this Warrant Certificate must be in writing and either delivered by hand or by any form of electronic communication by means of which a written or typed copy is produced by the receiver thereof and is effective on actual receipt unless sent by electronic means in which case it is effective on the business day next following the date of transmission, addressed to the relevant party, as follows:

(a) to the Corporation:

133 Richmond Street West
Toronto, Ontario M5H 2L3

Attention: Tamir Poleg
Email: *[redacted]*

(b) to the Holder, to the address shown on the record books of the Corporation.

24. Enurement and Assignment

This Warrant Certificate and all of its provisions shall enure to the benefit of the Holder, its successors and assigns and shall be binding upon the Corporation, its successors and assigns.

25. Modification and Waiver

This Warrant Certificate and any provision hereof may be changed, waived, discharged or terminated only by an instrument in writing signed by the party against which enforcement of the same is sought.

26. No Impairment

The Corporation will not, by amendment of its Articles of Incorporation or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Warrant Certificate, but will at all times in good faith assist in the carrying out of all such terms and in the taking of all such action as may be necessary or appropriate in order to protect the rights of the Holder against impairment.

27. Time

Time shall be of the essence hereof.

[Signature Page to Follow]

IN WITNESS WHEREOF the Corporation has caused this certificate to be signed by the signature of a duly authorized officer effective this ___ day of _____, 2020.

THE REAL BROKERAGE INC.

Per: _____
Authorized Signatory

EXERCISE FORM

TO: The Real Brokerage Inc.

The undersigned hereby irrevocably elects to exercise the Warrants to acquire the number of Common Shares of The Real Brokerage Inc. set out below:

(a) Number of Common Shares to be Acquired: _____

(b) Exercise Price: _____

(c) Aggregate Exercise Price [(a) multiplied by (b)]: CDN$ _____

and hereby tenders a certified cheque, bank draft, wire transfer or cash for such Aggregate Exercise Price, and directs such Common Shares to be registered and a certificate therefor to be issued as directed below.

DATED this ____ day of _____, 202___.

Per: _____

Direction as to Registration _____

Name of Holder: _____

Address of Holder: _____

_____

_____

Instructions:

1. The registered Holder may exercise its right to purchase Common Shares by completing this form and surrendering this Exercise Form and delivering this Exercise Form and the Warrant Certificate representing the Warrants being exercised to the Corporation at its head office at 133 Richmond Street West, Toronto, Ontario, M5H 2L3, or such other address in Canada as may be specified in writing by the Corporation. The procedures set out in Section 5 of the Warrant Certificate with respect to either the delivery of certificates representing the Common Shares, or the completion of the DRS Entry and the delivery of the DRS Advises, will be complied with by the Corporation. **The rights of the registered Holder hereof will cease if the Warrants are not exercised prior to the Expiry Date.**

2. If this Exercise Form indicates that Common Shares are to be issued to a person or persons other than the registered holder of the Warrant Certificate, the signature of such holder of this Exercise Form must be guaranteed by an authorized officer of a chartered bank, trust company or an investment dealer who is a member of a recognized stock exchange.

3. If this Exercise Form is signed by a trustee, executor, administrator, curator, guardian, attorney, officer of a corporation or any person acting in a fiduciary or representative capacity, the Warrant Certificate must be accompanied by evidence of authority to sign satisfactory to the Corporation.

EXHIBIT F

REGISTRATION RIGHTS AGREEMENT

REGISTRATION RIGHTS AGREEMENT

This Registration Rights Agreement (including all exhibits hereto and as may be amended, supplemented or amended and restated from time to time in accordance with the terms hereof, this "*Agreement*") is made and entered into as of December 2, 2020, by and among The Real Brokerage Inc., a corporation existing under the laws of the Province of British Columbia (the "*Parent*") and each of the investors whose names appear on the signature pages attached hereto (each, an "*Investor*" and collectively, the "*Investors*").

WHEREAS, this Agreement is entered into in connection with the issuance and sale by Real PIPE, LLC, a Delaware limited liability company and wholly-owned subsidiary of the Parent (the "*Issuer*"), of 17,286,842 units of the Issuer's preferred equity interests (the "*Preferred Equity*"), to the Investors, pursuant to that certain Securities Subscription Agreement, dated as of December 2, 2020, by and among the Parent, the Issuer and the Investors (the "*Subscription Agreement*");

WHEREAS, in connection with the purchase of the Preferred Equity by the Investors, the Parent has agreed to provide the registration and other rights set forth in this Agreement for the benefit of the Investors; and

WHEREAS, as a condition to the obligations of the Parent, the Issuer and the Investors under the Subscription Agreement, the parties hereto hereby agree to execute and deliver this Agreement.

NOW, **THEREFORE**, **IN CONSIDERATION** of the mutual covenants contained in this Agreement, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto hereby agree as follows:

ARTICLE I
DEFINITIONS

Section 1.01 Definitions. As used in this Agreement, the terms set forth below shall have the following meanings:

"*Affiliate*" means, with respect to any Person, any other Person that directly or indirectly controls, is controlled by, or is under common control with, such Person. The term "control" (including the terms "controlled by" and "under common control with") as used in this definition means the possession, directly or indirectly (including through one or more intermediaries), of the power or a authority to direct or cause the direction of management, whether through the ownership of voting securities, by contract or otherwise. For purposes of this Agreement, no member of the Investor Group shall be an Affiliate of the Parent or any of its subsidiaries, and neither the Parent nor any of its subsidiaries shall be an Affiliate of any member of the Investor Group.

"*beneficially own*" (and related terms such as "beneficial ownership" and "beneficial owner") shall have the meaning given to such term in Rule 13d-3 under the Exchange Act, and any Person's beneficial ownership of securities shall be calculated in accordance with the provisions of such Rule.

"*Board*" means the Board of Directors of the Parent.

"*Business Day*" means any day, other than: (a) a Saturday, Sunday or statutory holiday in the Province of Ontario or the State of New York; or (b) a day on which banks are generally closed in the Province of Ontario or the State of New York.

"*Canadian Securities Laws*" means the applicable securities legislation of each of the provinces of British Columbia, Ontario and Alberta and any other provinces or territories in which Real becomes a reporting issuer and all published regulations, policy statements, orders, rules, instruments, rulings and interpretation notes issued thereunder or in relation thereto, as the same may hereafter be amended from time to time or replaced.

"*Chief Executive Officer*" means the executive holding the position of Chief Executive Officer of the Parent.

"*Closing Date*" means the date of consummation of the transactions contemplated by the Subscription Agreement.

"*Commission*" means the Securities and Exchange Commission.

"*Common Shares*" means the Parent's common stock, par value $0.01 per share.

"*Counsel to the Holders*" means with respect to any Underwritten Offering or Piggyback Offering, the counsel selected by the Investors.

"*Effective Date*" means the date that a Registration Statement filed pursuant to this Agreement is first declared effective by the Commission.

"*Effectiveness Period*" means the period beginning on the Effective Date for a Registration Statement and ending at the time all Registrable Securities covered by such Registration Statement (or if such Registration Statement becomes unavailable, another Registration Statement) have ceased to be Registrable Securities.

"*Exchange Act*" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

"*Form S-1*" means Form S-1 under the Securities Act, or any other form hereafter adopted by the Commission for the general registration of securities under the Securities Act.

"*Form S-3*" means Form S-3 under the Securities Act, or any other form hereafter adopted by the Commission having substantially the same usage as Form S-3.

"*Form S-4*" means Form S-4 under the Securities Act, or any other form hereafter adopted by the Commission having substantially the same usage as Form S-4.

"*Form S-8*" means Form S-8 under the Securities Act, or any other form hereafter adopted by the Commission having substantially the same usage as Form S-8.

"*Holder*" or "*Holders*" means the Investors and any additional parties identified on the signature pages of any joinder agreement executed and delivered pursuant to Section 2.13 Person shall cease to be a Holder hereunder at such time as it ceases to hold any Registrable Securities.

"*Investor*" means, collectively, Insight Partners XI, L.P., Insight Partners (Cayman) XI, L.P., Insight Partners XI (Co-Investors), L.P., Insight Partners XI (Co-Investors) (B), L.P., Insight Partners (Delaware) XI, L.P., and Insight Partners (EU) XI, S.C.Sp. and their respective successors and permitted assigns in accordance with this Agreement, the Limited Liability Company Agreement.

"*Investor Group*" means Insight Partners XI, L.P., Insight Partners (Cayman) XI, L.P., Insight Partners XI (Co-Investors), L.P., Insight Partners XI (Co-Investors) (B), L.P., Insight Partners (Delaware) XI, L.P. and Insight Partners (EU) XI, S.C.Sp., the Holders and each of their respective Affiliates.

"*Limited Liability Company Agreement*" means the Amended and Restated Limited Liability Company Agreement, dated as of the date hereof, of the Issuer, as the same may be amended or supplemented from time to time.

"*Nasdaq*" means the Nasdaq Global Select Market.

"*Permitted Transferee*" of a Holder means any Person who is permitted to be a transferee pursuant to Section 4.3 of the Investor Rights Agreement, dated as of the date hereof, by and between the Issuer, the Parent and the Investors.

"*Person*" means an individual or corporation, partnership, trust, incorporated or unincorporated association, joint venture, limited liability company, joint stock company, government (or an agency or subdivision thereof) or other entity of any kind.

"*Proceeding*" means an action, claim, suit, investigation or proceeding (including an investigation or partial proceeding, such as a deposition), whether commenced or threatened.

"*Prospectus*" means the prospectus included in a Registration Statement (including a prospectus that includes any information previously omitted from a prospectus filed as part of an effective registration statement in reliance upon Rule 430A promulgated under the Securities Act), as amended or supplemented by any prospectus supplement, with respect to the terms of the offering of any portion of the Registrable Securities covered by a Registration Statement, and all other amendments and supplements to the Prospectus, including post-effective amendments, and all material incorporated by reference or deemed to be incorporated by reference in such Prospectus.

"*Registration Expenses*" means all fees and expenses incident to the Parent's performance under or compliance with this Agreement to effect the registration of Registrable Securities on a Registration Statement pursuant to Section 2.01 or an Underwritten Offering covered under this Agreement, including all registration, filing, securities exchange listing and Trading Market fees, all registration, filing, qualification and other fees and expenses of complying with securities or blue sky laws, fees of the Financial Industry Regulatory Authority, fees of transfer agents and registrars, reasonable fees and expenses incurred in connection with any "road show" for an Underwritten Offering, all word processing, duplicating and printing expenses, any transfer taxes not otherwise attributable to the sale of Registrable Securities, the fees and disbursements of counsel, and independent public accountants, including the expenses of any special audits or "cold comfort" letters required by or incident to such performance and compliance, and the fees and disbursements of Counsel to the Holders.

"*Registrable Securities*" means, collectively, (a) the Common Shares issued or that may be issuable to a Holder upon redemption or exchange of the Preferred Equity owned by such Holder pursuant to the terms of the Limited Liability Company Agreement, (b) the Common Shares issuable to a Holder upon exercise of the Warrants and (c) any additional Common Shares issued or distributed in respect of any such shares by way of a stock dividend, stock split or distribution, or in connection with a combination of shares, and any security into which such Common Shares shall have been converted or exchanged in connection with a recapitalization, reorganization, reclassification, merger, consolidation, exchange, distribution or otherwise; *provided*, *however*, that as to any Registrable Securities, such securities shall cease to constitute Registrable Securities upon the earliest to occur of: (i) when a Registration Statement covering such Registrable Securities becomes or has been declared effective by the Commission and such Registrable Securities have been sold or disposed of pursuant to such effective Registration Statement; (ii) when such Registrable Securities have been sold or disposed of pursuant to Rule 144 under the Securities Act (or any successor or similar provision adopted by the Commission then in effect); (iii) when such Registrable Securities are no longer subject to the volume and manner of sale restrictions on trading under the provisions of Rule 144 under the Securities Act, and the current public information requirement of Rule 144(e) no longer applies; or (iv) when such Registrable Securities have been sold or disposed of in a private transaction in which the transferor's rights under this Agreement are not assigned to the transferee of such securities pursuant to Section 2.13.

"*Registration Statement*" means any one or more registration statements of the Parent filed under the Securities Act (or by reliance on the Multijurisdictional Disclosure System, if applicable) that covers the resale of any of the Registrable Securities pursuant to the provisions of this Agreement (including any registration statement relating to the offer and sale of Registrable Securities by Holders on a continuous or delayed basis pursuant to Rule 415), amendments and supplements to such registration statements, including post-effective amendments, and all exhibits and all reports incorporated by reference or deemed to be incorporated by reference in such registration statements.

"*Rule 144*" means Rule 144 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

"*Rule 158*" means Rule 158 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

"*Rule 415*" means Rule 415 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

"*Rule 424*" means Rule 424 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

"*Securities Act*" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

"*Securities Laws*" means the Securities Act and the Exchange Act.

"*Selling Expenses*" means all (a) underwriting fees, discounts and selling commissions allocable to the sale of Registrable Securities, and (b) transfer taxes allocable to the sale of the Registrable Securities, if any.

"*Selling Holder*" means a Holder who is selling Registrable Securities under a Registration Statement pursuant to the terms of this Agreement.

"*Selling Shareholder Questionnaire*" means a selling shareholder questionnaire reasonably adopted by the Parent from time to time.

"*Trading Day*" means a day during which trading in the Common Shares occurs in the Trading Market, or if the Common Shares are not listed on a Trading Market, a Business Day.

"*Trading Market*" means the Nasdaq or whichever national securities exchange on which the Common Shares are listed or quoted for trading on the date in question.

"Warrants" has the meaning provided for in the Subscription Agreement.

The terms set forth below shall have the meanings ascribed to them in the following sections of this Agreement:

Defined Term	**Section Reference**
Advice	Section 2.16
Agreement	Preamble
Grace Period	Section 2.03(a)
Indemnified Party	Section 2.10
Indemnifying Party	Section 2.10
Independent Interests	Section 3.07
Information	Section 3.07
Investors	Preamble
Issuer	Preamble
Losses	Section 2.08
Other Holder	Section 2.04(a)
Parent	Preamble
Piggyback Notice	Section 2.04(a)
Piggyback Offering	Section 2.04(a)
Post-Offering Lock-up Period	Section 2.07(a)
Preferred Equity	Recitals
Representatives	Section 3.07
Subscription Agreement	Preamble
Transfer	Section 2.07(a)
Underwritten Offering	Section 2.02(a)

ARTICLE II
REGISTRATION RIGHTS

Section 2.01 Shelf Registration.

(a) Within 60 days of a listing or posting for trading on a nationally recognized stock exchange in the United States, the Parent shall prepare and file a Registration Statement with the Commission.

(b) The Registration Statement filed with the Commission pursuant to this Section 2.01 shall be on Form S-3 or, if Form S-3 is not then available to the Parent, on Form S-1 or such other form of registration statement as is then available to effect a registration for resale of the Registrable Securities, covering the Registrable Securities, and shall contain a Prospectus in such form as to permit any selling Holder covered by such Registration Statement to sell such Registrable Securities pursuant to Rule 415 at any time beginning on the Effective Date for such Registration Statement. The Parent shall use reasonable best efforts to cause a Registration Statement filed pursuant to this Section 2.01 to be declared effective as soon as reasonably practicable thereafter; *provided*, *however*, that in no event shall the Parent be required to file and have declared effective a Registration Statement prior to the date that is 180 days after the date of this Agreement.

(c) During the Effectiveness Period, the Parent shall use its reasonable best efforts to cause a Registration Statement filed pursuant to this Section 2.01 to remain effective, and to be supplemented and amended to the extent necessary to ensure that such Registration Statement is available or, if not available, that another Registration Statement is available for the resale of the Registrable Securities without interruption until all Registrable Securities have ceased to be Registrable Securities. As soon as practicable following the Effective Date of a Registration Statement, but in any event within three Business Days of such date, the Parent shall notify the Holders of the effectiveness of such Registration Statement. At the time it becomes effective, a Registration Statement (including the documents incorporated therein by reference) will comply as to form in all material respects with all applicable requirements of the Securities Act and the Exchange Act and will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading (in the case of any prospectus contained in such Registration Statement, in the light of the circumstances under which a statement is made).

(d) A Registration Statement shall provide for the distribution or resale pursuant to any method or combination of methods legally available to, and requested by, the Holders.

Section 2.02 Procedures For Underwritten Offerings.

(a) Beginning six months after the filing of a Registration Statement filed in accordance with Section 2.01, the Holders may request to sell all or any portion of their Registrable Securities included thereon in an underwritten offering that is registered pursuant to such Registration Statement (an "*Underwritten Offering*").

(b) In connection with any Underwritten Offering, Parent shall select one or more investment banking firms of national standing to be the managing underwriter or underwriters with the consent of the Investor, which consent shall not be unreasonably withheld, conditioned or delayed.

(c) As a condition for inclusion of a Selling Holder's Registrable Securities in an Underwritten Offering, the Selling Holder shall agree to enter into an underwriting agreement with the underwriters and complete and execute all questionnaires, powers of attorney, indemnities and other documents reasonably required under the terms of such underwriting agreement; *provided*, that the underwriting agreement is in customary form and reasonably acceptable to the Selling Holders; and *provided further*, that no Selling Holder shall be required to make any representations or warranties to the Parent or the underwriters (other than representations and warranties regarding (i) such Selling Holder's ownership of its Registrable Securities to be sold or transferred, (ii) such Selling Holder's power and authority to effect such transfer and (iii) such matters pertaining to compliance with Securities Laws as may be reasonably requested). If any Selling Holder disapproves of the terms of an underwriting, such Selling Holder may elect to withdraw therefrom by notice to the Parent and the managing underwriter; *provided*, that any such withdrawal must be made no later than the time of pricing of such Underwritten Offering. Subject to Section 2.06 below, if all Selling Holders withdraw from an Underwritten Offering prior to the pricing of such Underwritten Offering or if the Registration Statement relating to an Underwritten Offering is suspended pursuant to Section 2.03, then such abandoned or suspended, as applicable, Underwritten Offering will not be considered an Underwritten Offering under this Section 2.02.

(d) If the managing underwriter or underwriters for an Underwritten Offering advises the Parent that the total amount of Registrable Securities or other Common Shares to be included in such Underwritten Offering is such as to materially adversely affect the success of such Underwritten Offering, the number of Registrable Securities or other Common Shares to be included in such offering will be reduced as follows: *first*, the Parent shall reduce or eliminate the Common Shares to be included by any Person other than a Selling Holder or the Parent; *second*, the Parent shall reduce or eliminate any Common Shares to be included by the Parent; and *third*, the Parent shall reduce the number of Registrable Securities to be included by Selling Holders on a pro rata basis based on the total number of Registrable Securities requested by the Selling Holders to be included in the Underwritten Offering.

(e) The Parent will not be required to undertake an Underwritten Offering pursuant to this Section 2.02 if the Parent has undertaken an Underwritten Offering, whether for its own account or pursuant to this Agreement, within the 180 days preceding the date of the request for such Underwritten Offering pursuant to this Section 2.02 is given to the Parent.

(f) If the Common Shares are not listed or posted for trading on a nationally recognized stock exchange in the United States on or prior to the one year anniversary of the date hereof, then the provisions of the Agreement shall be deemed to apply to distributions or offerings of Common Shares under the Canadian Securities Laws, *mutatis mutandis*, (including, for the avoidance of doubt, that all references in the Agreement to a form or filing that may be made by the Parent shall be deemed to be references to the similar or corresponding form or filing under Canadian Securities Laws).

(g) The Parent shall not be required to effect more than two (2) registrations pursuant to this Section 2.02. An Underwritten Offering shall not be considered made for purposes of this Section 2.02 unless the offering has resulted in a disposition by the Selling Holders of at least 50% of the amount of Registrable Securities to be included.

Section 2.03 Grace Periods.

(a) Notwithstanding anything to the contrary herein:

(i) the Parent shall be entitled to postpone the filing or effectiveness of, or, at any time after a Registration Statement has been declared effective by the Commission suspend the use of, a Registration Statement (including the Prospectus included therein) if in the good faith judgment of the Board, (A) such registration, offering or use would reasonably be expected to materially affect in an adverse manner, or materially interfere with any bona fide material financing of the Parent or any material transaction under consideration by the Parent or would require the disclosure of information that has not been, and is not otherwise required to be, disclosed to the public and the premature disclosure of which would materially affect the Parent in an adverse manner; (B) the Parent is in possession of material non-public information, the disclosure of which would not be, in the good faith opinion of the Board, in the best interests of the Parent; or (C) the Parent must amend or supplement the affected registration statement or the related prospectus so that such registration statement or prospectus shall not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the case of the prospectus in light of the circumstances under which they were made, not misleading (the period of a postponement or suspension as described in clause (A) and/or a delay described in clause (B) or this clause (C), a "*Grace Period*"); *provided however*, that in the event such Registration Statement relates to an Underwritten Offering pursuant to Section 2.02, then the Holders initiating such Underwritten Offering shall be entitled to withdraw the request for the Underwritten Offering and, if such request is withdrawn, it shall not count against the limits imposed pursuant to Section 2.02 and the Parent shall pay all Registration Expenses in connection with such registration.

(b) The Parent shall promptly (i) notify the Holders in writing of the existence of the Grace Period (provided that the Parent shall not disclose the content of such material non- public information to any Holder, without the express consent of such Holder) or the need to file a post-effective amendment, as applicable, and the date on which such Grace Period began or will begin, and (ii) notify the Holders in writing of the date on which the Grace Period ends.

(c) The Parent shall not utilize the right to a Grace Period more than twice in any 365 day period nor for more than 90 days in the aggregate during any 365 day period. For purposes of determining the length of a Grace Period, the Grace Period shall be deemed to begin on and include the date the Holders receive the notice referred to in clause (i) of Section 2.03(b) and shall end on and include the later of the date the Holders receive the notice referred to in clause (iii) of Section 2.03(b) and the date referred to in such notice.

Section 2.04 Piggyback Registration**.**

(a) If at any time, and from time to time, the Parent proposes to conduct an underwritten offering of Common Shares for its own account or for the account of other holders of Common Shares entitled to participate in such offering ("*Other Holders*"), then the Parent shall give written notice (the "*Piggyback Notice*") of such underwritten offering to the Holders at least ten Business Days prior to the earlier of the date of filing of the registration statement or the date of filing of the preliminary prospectus supplement for such underwritten offering. Such Piggyback Notice shall include the number of Common Shares to be offered, the proposed date of such underwritten offering, any proposed means of distribution of such Common Shares, any proposed managing underwriter of such Common Shares and a good faith estimate by the Parent of the proposed maximum offering price of such Common Shares (as such price would appear on the front cover page of a registration statement), and shall offer the Holders the opportunity to sell such amount of Registrable Securities as such Holders may request on the same terms and conditions as the Parent or such Other Holders (a "*Piggyback Offering*"). Subject to Section 2.04(b), the Parent will include in each Piggyback Offering all Registrable Securities for which the Parent has received written requests for inclusion within ten (10) Business Days after the date the Piggyback Notice is given; *provided*, *however*, that in the case of a "takedown" of Common Shares registered under a shelf registration statement previously filed by the Parent, such Registrable Securities are covered by an existing and effective Registration Statement that may be utilized for the offering and sale of the Registrable Securities requested to be offered.

(b) The Parent will cause the managing underwriter or underwriters of the proposed offering to permit the Selling Holders that have requested Registrable Securities to be included in the Piggyback Offering to include all such Registrable Securities on the same terms and conditions as any similar securities, if any, of the Parent or the Other Holders. Notwithstanding the foregoing, if the managing underwriter or underwriters of such underwritten offering advises the Parent and the Selling Holders in writing that, in its view, the total amount of Common Shares that the Parent, such Selling Holders and any Other Holders propose to include in such offering is such as to materially adversely affect the success of such underwritten offering, then:

(i) if such Piggyback Offering is an underwritten primary offering by the Parent for its own account, the Parent will include in such Piggyback Offering: (A) *first*, all Common Shares to be offered by the Parent; (B) *second*, the Common Shares requested to be included in such Piggyback Offering by the Selling Holders (pro rata among the Selling Holders based on the number of Common Shares each requested to be included); and (C) *third*, the Common Shares requested to be included in such Piggyback Offering by all Other Holders (pro rata among the Other Holders based on the number of Common Shares each requested to be included); or

(ii) if such Piggyback Offering is an underwritten secondary offering for the account of Other Holders exercising "demand" rights pursuant to a prior registration rights agreement, the Parent will include in such registration: (A) *first*, the Common Shares of the Other Holders exercising "demand" rights requested to be included therein (pro rata among such Other Holders based on the number of Common Shares each requested to be included); (B) *second*, the Common Shares proposed to be included in the registration by the Parent; and (C) *third*, the Common Shares requested to be included in such Piggyback Offering by the Selling Holders and any Other Holders entitled to participate therein (pro rata among such Selling Holders and Other Holders based on the number of Common Shares requested to be included); and

in each case, the total amount of securities to be included in such Piggyback Offering is the full amount that, in the view of such managing underwriter, can be sold without materially adversely affecting the success of such Piggyback Offering.

(c) If at any time after giving the Piggyback Notice and prior to the time sales of securities are confirmed pursuant to the Piggyback Offering, the Parent determines for any reason to delay the Piggyback Offering, the Parent may, at its election, give notice of its determination to the Selling Holders, and in the case of such a determination, will be relieved of its obligation to register any Registrable Securities in connection with the abandoned or delayed Piggyback Offering, without prejudice.

(d) Any Selling Holder may withdraw its request for inclusion of its Registrable Securities in a Piggyback Offering by giving written notice to the Parent, at least three Business Days prior to the anticipated date of the filing by the Parent of a prospectus supplement under Rule 424 (which shall be the preliminary prospectus supplement, if one is used in the "takedown") with respect to such offering, of its intention to withdraw from that registration; *provided*, *however*, that (i) the Holder's request be made in writing and (ii) the withdrawal will be irrevocable and, after making the withdrawal, the Holder will no longer have any right to include its Registrable Securities in that Piggyback Offering.

Section 2.05 Registration Procedures. If and when the Parent is required to effect any registration under the Securities Act as provided in Section 2.01 or any Underwritten Offering as provided in Section 2.02, the Parent shall use its reasonable best efforts to:

(a) prepare and file with the Commission the requisite Registration Statement to effect such registration and thereafter use its reasonable best efforts to cause such Registration Statement to become and remain effective, subject to the limitations contained herein;

(b) prepare and file with the Commission such amendments and supplements to such Registration Statement and the Prospectus used in connection therewith as may be necessary to keep such Registration Statement effective and to comply with the provisions of the Securities Act and the Exchange Act with respect to the disposition of all Registrable Securities covered by such Registration Statement until such time as all of such Registrable Securities have been disposed of in accordance with the method of disposition set forth in such Registration Statement, subject to the limitations contained herein;

(c) (i) before filing a Registration Statement or Prospectus or any amendments or supplements thereto, at the Parent's expense, furnish to each Holder whose securities are covered by such Registration Statement copies of all such documents, other than documents that are incorporated by reference into such Registration Statement or Prospectus, proposed to be filed and such other documents reasonably requested by such Holders (which may be furnished by email), and afford Counsel to the Holders a reasonable opportunity to review and comment on such documents and (ii) in connection with the preparation and filing of each such Registration Statement pursuant to this Agreement, (A) upon reasonable advance notice to the Parent and subject to the confidentiality obligations set forth in Section 3.13, give each of the foregoing such reasonable access to all financial and other records, corporate documents and properties of the Parent as shall be necessary, in the reasonable opinion of Counsel to the Holders and such underwriters, to conduct a reasonable due diligence investigation for purposes of the Securities Act and the Exchange Act, and (B) upon reasonable advance notice to the Parent and subject to the confidentiality obligations set forth in Section 3.1, during normal business hours, provide such reasonable opportunities to discuss the business of the Parent with its officers, directors, employees and the independent public accountants who have certified its financial statements as shall be necessary, in the reasonable opinion of Counsel to the Holders and such underwriters, to conduct a reasonable due diligence investigation for purposes of the Securities Act and the Exchange Act;

(d) notify each Holder, promptly after the Parent receives notice thereof, of (i) any correspondence from the Commission relating to such Registration Statement or Prospectus, (ii) the time when such Registration Statement has been declared effective, and (iii) the time when a supplement to any Prospectus forming a part of such Registration Statement has been filed;

(e) with respect to any offering of Registrable Securities furnish to each Selling Holder, without charge, such number of copies of the applicable Registration Statement, each amendment and supplement thereto, the Prospectus included in such Registration Statement (including each preliminary Prospectus, final Prospectus, and any other Prospectus (including any Prospectus filed under Rule 424, Rule 430A or Rule 430B promulgated under the Securities Act and any "issuer free writing prospectus" as such term is defined under Rule 433 promulgated under the Securities Act)), all exhibits and other documents filed therewith and such other documents as such Selling Holder may reasonably request including in order to facilitate the disposition of the Registrable Securities owned by such Selling Holder a copy of any and all comment letters, transmittal letters or other correspondence to or received from, the Commission or any other governmental authority relating to such Registration Statement, Prospectus or offer;

(f) (i) register or qualify all Registrable Securities covered by such Registration Statement under such other securities or blue sky laws of such states or other jurisdictions of the United States of America as the Holders covered by such Registration Statement shall reasonably request in writing, (ii) keep such registration or qualification in effect for so long as such Registration Statement remains in effect and (iii) take any other action that may be necessary or reasonably advisable to enable the Holders to consummate the disposition in such jurisdictions of the securities to be sold by the Holders, except that the Parent shall not for any such purpose be required to qualify generally to do business as a foreign corporation in any jurisdiction wherein it would not but for the requirements of this subsection (f) be obligated to be so qualified, to subject itself to taxation in such jurisdiction or to consent to general service of process in any such jurisdiction;

(g) cause all Registrable Securities included in such Registration Statement to be registered with or approved by such other federal or state governmental agencies or authorities

as necessary upon the opinion of counsel to the Parent or Counsel to the Holders of Registrable Securities included in such Registration Statement to enable such Holder or Holders thereof to consummate the disposition of such Registrable Securities in accordance with their intended method of distribution thereof;

(h) with respect to any Underwritten Offering, obtain a signed:

(i) opinion of outside counsel for the Parent (including a customary 10b-5 statement), dated the date of the closing under the underwriting agreement and addressed to the underwriters, reasonably satisfactory (based on the customary form and substance of opinions of issuers' counsel customarily given in such an offering) in form and substance to such underwriters, if any;

(ii) "comfort" letter, dated the date of the underwriting agreement and another dated the date of the closing under the underwriting agreement and addressed to the underwriters and signed by the independent public accountants who have certified the Parent's financial statements included or incorporated by reference in such Registration Statement, reasonably satisfactory (based on the customary form and substance of "cold comfort" letters of issuers' independent public accountants customarily given in such an offering) in form and substance to such underwriters covering substantially the same matters with respect to such Registration Statement (and the Prospectus included therein) as are customarily covered in accountants' comfort letters delivered to underwriters in such types of offerings of securities; and

(iii) certificate of the chief financial officer or other appropriate executive officer of the Parent, dated the date of the underwriting agreement and another dated the date of the closing under the underwriting agreement and addressed to the underwriters, if reasonably requested by the underwriters for the purpose of certifying certain financial information not addressed in the comfort letter referred to in clause (ii) immediately above;

(i) notify each Holder of Registrable Securities included in such Registration Statement at any time when a Prospectus relating thereto is required to be delivered under the Securities Act, upon discovery that, or upon the happening of any event as a result of which, the Prospectus included in such Registration Statement, as then in effect, includes an untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances under which they were made and for which the Parent chooses to suspend the use of the Registration Statement and Prospectus in accordance with the terms of this Agreement, at the written request of any such Holder, promptly prepare and furnish to it a reasonable number of copies of a supplement to or an amendment of such Prospectus as may be necessary so that, as thereafter delivered to the purchasers of such securities, such Prospectus, as supplemented or amended, shall not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances under which they were made;

(j) notify the Holders of Registrable Securities included in such Registration Statement promptly of any request by the Commission for the amending or supplementing of such Registration Statement or Prospectus or for additional information relating thereto;

(k) advise the Holders of Registrable Securities included in such Registration Statement promptly after the Parent receives notice or obtains knowledge of any order suspending the effectiveness of a Registration Statement relating to the Registrable Securities and promptly use its reasonable best efforts to obtain the withdrawal;

(l) otherwise comply with all applicable rules and regulations of the Commission and any other governmental agency or authority having jurisdiction over the offering of Registrable Securities, and make available to its shareholders, as soon as reasonably practicable, an earnings statement covering the period of at least 12 months, but not more than 18 months, beginning with the first full calendar month after the Effective Date of such Registration Statement, which earnings statement shall satisfy the provisions of Section 11(a) of the Securities Act and Rule 158 and which requirement will be deemed satisfied if the Parent timely files complete and accurate information on Form 10-Q and 10-K and Current Reports on Form 8-K under the Exchange Act and otherwise complies with Rule 158;

(m) provide and cause to be maintained a transfer agent and registrar for the Registrable Securities included in a Registration Statement no later than the Effective Date thereof;

(n) enter into such agreements (including an underwriting agreement in customary form) and take such other actions as the Holders beneficially owning a majority of the Registrable Securities included in a Registration Statement or the underwriters, if any, shall reasonably request in order to expedite or facilitate the disposition of such Registrable Securities, including customary indemnification, and provide reasonable cooperation, including, with respect to an Underwritten Offering under Section 2.02, causing at least one (1) executive officer and a senior financial officer to attend and participate in "road shows" and other information meetings organized by the underwriters, if any, as reasonably requested; *provided*, *however*, that the Parent shall have no obligation to participate in more than two "road shows" in any 12-month period and such participation shall not unreasonably interfere with the business operations of the Parent;

(o) if requested by the managing underwriter(s) or the Holders beneficially owning a majority of the Registrable Securities being sold in connection with an Underwritten Offering, promptly incorporate in a prospectus supplement or post-effective amendment such information relating to the plan of distribution for such shares of Registrable Securities provided to the Parent in writing by the managing underwriters and the Holders of a majority of the Registrable Securities being sold and that is required to be included therein relating to the plan of distribution with respect to such Registrable Securities, including information with respect to the number of Registrable Securities being sold to such underwriters, the purchase price being paid therefor by such underwriters and with respect to any other terms of the Underwritten Offering of the Registrable Securities to be sold in such offering, and make any required filings with respect to such information relating to the plan of distribution as soon as practicable after notified of the information;

(p) if reasonably required by the Parent's transfer agent, promptly deliver any authorizations, certificates and directions required by the transfer agent which authorize the transfer agent to transfer such Registrable Securities without legend upon sale by the Holder of such Registrable Securities under the Registration Statement; and

(q) otherwise use its reasonable best efforts to take all other steps necessary to effect the registration of such Registrable Securities contemplated hereby.

In addition, at least 10 Trading Days prior to the first anticipated filing date of a Registration Statement for any registration under this Agreement, the Parent will notify each Holder of the information the Parent requires from that Holder, including any update to or confirmation of the information contained in the Selling Shareholder Questionnaire, if any, which shall be completed and delivered to the Parent promptly upon request and, in any event, within five Trading Days prior to the applicable anticipated filing date. Each Holder further agrees that it shall not be entitled to be named as a selling securityholder in the Registration Statement or use the Prospectus for offers and resales of Registrable Securities at any time, unless such Holder has returned to the Parent a completed and signed Selling Shareholder Questionnaire and a response to any requests for further information as described in the previous sentence and, if an Underwritten Offering, entered into an underwriting agreement with the underwriters in accordance with Section 2.02(c) and Section 2.07. If a Holder of Registrable Securities returns a Selling Shareholder Questionnaire or a request for further information, in either case, after its respective deadline, the Parent shall be permitted to exclude such Holder from being a selling security holder in the Registration Statement or any pre-effective or post-effective amendment thereto. Each Holder acknowledges and agrees that the information in the Selling Shareholder Questionnaire or request for further information as described in this Section 2.05 will be used by the Parent in the preparation of the Registration Statement and hereby consents to the inclusion of such information in the Registration Statement.

Section 2.06 Registration Expenses. The Parent shall pay all reasonable Registration Expenses as determined reasonably and in good faith by the Board, including, in the case of an Underwritten Offering, the Registration Expenses of an Underwritten Offering, regardless of whether any sale is made pursuant to such Underwritten Offering. Each Selling Holder shall pay its pro rata share of all Selling Expenses in connection with any sale of its Registrable Securities hereunder. For the avoidance of doubt, each Selling Holder's pro rata allocation of Selling Expenses shall be the percentage derived by dividing (i) the number of Registrable Securities sold by such Selling Holder in connection with such sale by (ii) the aggregate number of Registrable Securities sold by all Selling Holders in connection with such sale. Notwithstanding the foregoing, the Parent shall not be required to pay for any expenses of any registration proceeding begun pursuant to Sections 2.01 or 2.02 if the registration request is subsequently withdrawn at the request of the Holders of a majority of the Registrable Securities to be registered or included in an offering pursuant to a registration requested thereunder (the "Withdrawing Holders") and, in such event, the Withdrawing Holders shall pay such expenses pro rata based on the number of securities they had requested to include in such registration or offering, unless in the case of Section 2.02 the Withdrawing Holders agree that such registration constitutes the use by the Holders of one (1) Underwritten Offering pursuant to Section 2.02(g), provided, however, that any such withdrawal which is based upon information showing a material change in the condition, business, or prospects of the Parent and which was not known or available to such Withdrawing Holders at the time of their request for such registration and such Withdrawing Holders have withdrawn their request for registration with reasonable promptness after learning of such material change, then the Holders shall not be required to pay any of such expenses and such registration shall not constitute an Underwritten Offering pursuant to Section 2.02(g).

Section 2.07 Post-Offering Lock-up.

(a) In connection with any Underwritten Offering, Piggyback Offering or other underwritten public offering of equity securities by the Parent, except with the written consent of the underwriters managing such offering, no Holder who participates in such offering or who beneficially owns 1% or more of the outstanding Common Shares at such time shall (a) offer, pledge, sell, contract to sell, grant any option, right or warrant to purchase, give, assign, hypothecate, pledge, encumber, grant a security interest in, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of (including through any hedging or other similar transaction) any economic, voting or other rights in or to any equity securities of the Parent, or otherwise transfer or dispose of any equity securities of the Parent, directly or indirectly, to a Person (but excluding (i) any direct or indirect Transfer of a partnership interest in a private equity or similar investment fund that, when aggregated with its parallel funds and alternative investment vehicles, is established to make investments in multiple portfolio companies and not primarily to invest in Parent and (ii) a pledge as collateral for a private equity or similar investment fund's bona fide revolving credit facility that is also secured by other investments of such fund) or (b) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of equity securities of the Parent (any such transaction described in clause (a) or (b) above, a "*Transfer*"), without prior written consent from the Parent, during the seven (7) days prior to and the 180-day period beginning on the date of closing of such offering (the "*Post-Offering Lock-up Period*"), except as part of such offering; *provided*, that nothing herein will prevent any Holder from making a Transfer of Registrable Securities to a Permitted Transferee that is otherwise in compliance with the applicable securities laws, so long as such Permitted Transferee agrees to be bound by the restrictions set forth in this Section 2.07(a). Each such Holder agrees to execute a lock-up agreement in favor of the Parent's underwriters to such effect and, in any event, that the Parent's underwriters in any relevant offering shall be third party beneficiaries of this Section 2.07(a). The provisions of this Section 2.07(a) will no longer apply to a Holder once such Holder ceases to hold Registrable Securities.

(b) In connection with any Underwritten Offering, the Parent shall not effect any Transfer of equity securities of the Parent, or any securities convertible into or exchangeable or exercisable for such securities, without prior written consent from the Selling Holders, during the Post-Offering Lock-up Period, except as part of such offering. The Parent agrees to execute a lock-up agreement in favor of the Selling Holders' underwriters to such effect and, in any event, that the Selling Holders' underwriters in any relevant offering shall be third party beneficiaries to this Section 2.07(b). Notwithstanding the foregoing, the Parent may (i) effect a public sale or distribution of securities of the type described above and during the periods described above if such sale or distribution is made pursuant to registrations on Form S-4 or Form S-8 or as part of any registration of securities offering and sale to employees, directors or consultants of the Parent and its subsidiaries pursuant to any employee stock plan or other employee benefit plan arrangement and (ii) Transfer units of Preferred Equity and issue Common Shares in connection with the redemption or exchange of Preferred Equity at any time in accordance with the terms of the Limited Liability Company Agreement.

Section 2.08 Indemnification by the Parent. The Parent shall, notwithstanding any termination of this Agreement, indemnify, defend and hold harmless each Holder, the officers, directors, agents, partners, members, managers, stockholders, Affiliates, employees and investment managers of each of them, each Person who controls any such Holder (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) and the officers, directors, partners, members, managers, stockholders, agents and employees of each such controlling Person, to the fullest extent permitted by applicable law, from and against any and all losses, claims, damages, liabilities, costs (including reasonable costs of preparation and investigation and reasonable attorneys' fees) and expenses (collectively, "*Losses*"), to which any of them may become subject, that arise out of or are based upon (a) any untrue or alleged untrue statement of a material fact contained in any Registration Statement contemplated herein, any Prospectus or any form of prospectus or in any amendment or supplement thereto or in any preliminary prospectus thereto or (b) any omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements therein (in the case of any Prospectus or form of prospectus or supplement thereto, in light of the circumstances under which they were made) not misleading, except to the extent, but only to the extent, that (i) such untrue statements, alleged untrue statements, omissions or alleged omissions are based upon information regarding such Holder furnished in writing to the Parent by such Holder expressly for use therein, or to the extent that such information relates to such Holder or such Holder's proposed method of distribution of Registrable Securities and was provided by such Holder expressly for use in the Registration Statement, such Prospectus or such form of Prospectus or in any amendment or supplement thereto, or (ii) in the case of an occurrence of an event of the type specified in Section 2.05(i), related to the use by a Holder of an outdated or defective Prospectus after the Parent has notified such Holder in writing that the Prospectus is outdated or defective and prior to the receipt by such Holder of the Advice contemplated and defined in Section 2.16, but only if and to the extent that following the receipt of the Advice the misstatement or omission giving rise to such Loss would have been corrected. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of an Indemnified Party, shall survive the transfer of the Registrable Securities by the Holders, and shall be in addition to any liability which the Parent may otherwise have.

Section 2.09 Indemnification by Holders. Each Holder shall, severally and not jointly, indemnify and hold harmless the Parent, its respective directors, officers, agents and employees, each Person who controls the Parent (within the meaning of Section 15 of the Securities Act and Section 20 of the Exchange Act), and the directors, officers, agents or employees of such controlling Persons, to the fullest extent permitted by applicable law, from and against all Losses, as incurred, arising out of or based upon any untrue or alleged untrue statement of a material fact contained in any Registration Statement, any Prospectus, or any form of prospectus, or in any amendment or supplement thereto or in any preliminary prospectus, or arising out of or relating to any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein (in the case of any Prospectus, or any form of prospectus or supplement thereto, in light of the circumstances under which they were made) not misleading (a) to the extent, but only to the extent, that such untrue statements or omissions are based upon information regarding such Holder furnished in writing to the Parent by such Holder expressly for use therein; (b) to the extent, but only to the extent, that such information relates to such Holder or such Holder's proposed method of distribution of Registrable Securities and was provided by such Holder expressly for use therein or (c) in the case of an occurrence of an event of the type specified in Section 2.05(i), to the extent, but only to the extent, related to the use by such Holder of an outdated or defective Prospectus after the Parent has notified such Holder in writing that the Prospectus is outdated or defective and prior to the receipt by such Holder of the Advice contemplated in Section 2.16, but only if and to the extent that following the receipt of the Advice the misstatement or omission giving rise to such Loss would have been corrected. In no event shall the liability of any Selling Holder hereunder be greater in amount than the dollar amount of the net proceeds received by such Selling Holder upon the sale of the Registrable Securities giving rise to such indemnification obligation. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of an Indemnified Party, shall survive the transfer of the Registrable Securities by the Holders, and shall be in addition to any liability which the Holder may otherwise have.

Section 2.10 Conduct of Indemnification Proceedings.

(a) If any Proceeding shall be brought or asserted against any Person entitled to indemnity under this Section 2.10 (an "*Indemnified Party*"), such Indemnified Party shall promptly notify the Person from whom indemnity is sought (the "*Indemnifying Party*") in writing, and the Indemnifying Party shall have the right to assume the defense thereof, including the employment of counsel reasonably satisfactory to the Indemnified Party and the payment of all reasonable fees and expenses incurred in connection with defense thereof; *provided*, that the failure of any Indemnified Party to give such notice shall not relieve the Indemnifying Party of its obligations or liabilities pursuant to this Agreement, except (and only) to the extent that such failure shall have materially and adversely prejudiced the Indemnifying Party.

(b) An Indemnified Party shall have the right to employ separate counsel in any such Proceeding and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Indemnified Party or Parties unless: (a) the Indemnifying Party has agreed in writing to pay such fees and expenses; (b) the Indemnifying Party shall have failed promptly to assume the defense of such Proceeding and to employ counsel reasonably satisfactory to such Indemnified Party in any such Proceeding; or (c) the named parties to any such Proceeding (including any impleaded parties) include both such Indemnified Party and the Indemnifying Party, and such Indemnified Party shall have been advised by counsel that in the reasonable judgment of such counsel a conflict of interest exists if the same counsel were to represent such Indemnified Party and the Indemnifying Party; *provided*, that the Indemnifying Party shall not be liable for the reasonable and documented fees and expenses of more than one separate firm of attorneys at any time for all Indemnified Parties. The Indemnifying Party shall not be liable for any settlement of any such Proceeding effected without its written consent, which consent shall not be unreasonably withheld, delayed or conditioned. No Indemnifying Party shall, without the prior written consent of the Indemnified Party, effect any settlement of any pending Proceeding in respect of which any Indemnified Party is a party, unless such settlement includes an unconditional release of such Indemnified Party from all liability on claims that are the subject matter of such Proceeding.

(c) Subject to the terms of this Agreement, all reasonable and documented fees and expenses of the Indemnified Party (including reasonable and documented fees and expenses to the extent incurred in connection with investigating or preparing to defend such Proceeding in a manner not inconsistent with this Section 2.10) shall be paid to the Indemnified Party, as incurred, with reasonable promptness after receipt of written notice thereof to the Indemnifying Party; *provided*, that the Indemnified Party shall promptly reimburse the Indemnifying Party for that portion of such fees and expenses applicable to such actions for which such Indemnified Party is finally judicially determined not to be entitled to indemnification hereunder. The failure to deliver written notice to the Indemnifying Party within a reasonable time of the commencement of any such action shall not relieve such Indemnifying Party of any liability to the Indemnified Party under this Section 2.10, except to the extent that the Indemnifying Party is materially and adversely prejudiced in its ability to defend such action.

Section 2.11 Contribution.

(a) If a claim for indemnification under Section 2.08 or Section 2.09 is unavailable to an Indemnified Party or insufficient to hold an Indemnified Party harmless for any Losses, then each Indemnifying Party, in lieu of indemnifying such Indemnified Party, shall contribute to the amount paid or payable by such Indemnified Party as a result of such Losses, in such proportion as is appropriate to reflect the relative fault of the Indemnifying Party and Indemnified Party in connection with the actions, statements or omissions that resulted in such Losses as well as any other relevant equitable considerations. The relative fault of such Indemnifying Party and Indemnified Party shall be determined by reference to, among other things, whether any action in question, including any untrue or alleged untrue statement of a material fact or omission or alleged omission of a material fact, has been taken or made by, or relates to information supplied by, such Indemnifying Party or Indemnified Party, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such action, statement or omission.

(b) The parties hereto agree that it would not be just and equitable if contribution pursuant to this Section 2.11 were determined by pro rata allocation or by any other method of allocation that does not take into account the equitable considerations referred to in the immediately preceding paragraph. Notwithstanding the provisions of this Section 2.11, no Holder shall be required to contribute, in the aggregate, any amount in excess of the amount by which the net proceeds actually received by such Holder from the sale of the Registrable Securities subject to the Proceeding exceeds the amount of any damages that such Holder has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation.

Section 2.12 Rule 144 and Rule 144A; Other Exemptions. With a view to making available to the Holders of Registrable Securities the benefits of Rule 144 and Rule 144A promulgated under the Securities Act and other rules and regulations of the Commission that may at any time permit a Holder of Registrable Securities to sell securities of the Parent without registration, until the earlier of (a) such time as when no Registrable Securities remain outstanding and (b) such time as the Parent is no longer subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act, the Parent covenants that it will (i) file in a timely manner all reports and other documents required, if any, to be filed by it under the Securities Act and the Exchange Act and the rules and regulations adopted thereunder or (ii) make available information necessary to comply with Rule 144 and Rule 144A, if available with respect to resales of the Registrable Securities under the Securities Act, at all times, all to the extent required from time to time to enable such Holder to sell Registrable Securities without registration under the Securities Act within the limitation of the exemptions provided by (A) Rule 144 and Rule 144A promulgated under the Securities Act (if available with respect to resales of the Registrable Securities), as such rules may be amended from time to time or (B) any other rules or regulations now existing or hereafter adopted by the Commission. Upon the reasonable request of any Holder of Registrable Securities, the Parent will deliver to such Holder a written statement as to whether it has complied with such information requirements, and, if not, the specific reasons for non-compliance.

Section 2.13 Transfer of Registration Rights. The rights of the Holders to cause the Parent to register Registrable Securities under this Article II may not be transferred or assigned, in whole or in part, without the written consent of the Parent; *provided*, *however*, that a Holder may assign such rights pursuant to this Article II in connection with a transfer of Registrable Securities to a Permitted Transferee so long as (a) such transfer or assignment is effected in accordance with applicable securities laws, (b) the transferee executes a joinder to this Agreement pursuant to which such transferee agrees to be bound by the terms set forth in this Article II, and (c) the Parent is given written notice prior to such transfer or assignment, stating the name and address of each such transferee or assignee and identifying the Registrable Securities with respect to which such registration rights are being transferred or assigned; *provided*, *however*, that any rights assigned hereunder shall apply only in respect of the Registrable Securities that are transferred or assigned and not in respect of any other securities that the transferee or assignee may hold.

Section 2.14 Preservation of Rights. The Parent shall not grant any registration rights to third parties which are more favorable than or inconsistent with the rights granted hereunder unless any such more favorable rights are concurrently added to the rights granted hereunder.

Section 2.15 Parent Status and Listing of Common Shares. The Parent shall use commercially reasonable efforts to:

(a) maintain the Parent's status as a "reporting issuer" not in default under the Canadian Securities Laws in each of the provinces of British Columbia, Ontario and Alberta and any other province or territory in which the Parent may become a "reporting issuer" from time to time; and

(b) maintain the listing of the Common Shares on the TSX Venture Exchange or another nationally recognized stock exchange in the United States or Canada acceptable to the Investors, acting reasonably;

provided, that these covenants shall not restrict or prevent the Parent from engaging in or completing any transaction which would result in the Parent ceasing to be a "reporting issuer" or the Common Shares ceasing to be listed on the TSX Venture Exchange, provided that (i) the holders of Common Shares receive (A) cash, (B) securities of an entity which is listed on a stock exchange in Canada or the United States or such other exchange as may be agreed upon by the Investors or (C) a combination of (A) and (B); or (ii) the Investors or the holders of the Common Shares have approved or otherwise consented to the transaction (by the requisite majority required under the Canadian Securities Acts or corporate law).

Section 2.16 Termination of Registration Rights. The right of any Holder to request registration or inclusion of Registrable Securities in any registration pursuant to this Article II shall terminate upon the fifth anniversary of the Closing Date.

ARTICLE III
MISCELLANEOUS

Section 3.01 Further Assurances. Each of the parties hereto shall execute all such further instruments and documents and take all such further action as any other party hereto may reasonably require in order to effectuate the terms and purposes of this Agreement.

Section 3.02 Remedies. Any Person having rights under any provision of this Agreement shall be entitled to enforce such rights specifically to recover damages caused by reason of any breach of any provision of this Agreement and to exercise all other rights granted by law. The parties hereto agree and acknowledge that money damages may not be an adequate remedy for any breach of the provisions of this Agreement and that any party may in its sole discretion apply to any court of law or equity of competent jurisdiction (without posting any bond or other security) for specific performance and for other injunctive relief in order to enforce or prevent violation of the provisions of this Agreement.

Section 3.03 No Inconsistent Agreements. The Parent shall not hereafter enter into any agreement with respect to its securities which is inconsistent with, abrogates or violates the rights granted to the Investor or any Holders in this Agreement, without the consent of the Investor or such Holders.

Section 3.04 Amendments and Waivers. The provisions of this Agreement, including the provisions of this sentence, may not be amended, modified or supplemented, or waived unless the same shall be in writing and signed by the Parent and the Investors; *provided*, *however*, that no amendment, modification, supplement, or waiver of any provision of Article II that disproportionately and adversely affects, alters, or changes the interests of any Holder pursuant to Article II shall be effective against such Holder without the prior written consent of such Holder; and *provided*, *further*, that the waiver of any provision with respect to any Registration Statement or offering may be given by any Holder entitled to participate in such offering or, if such offering shall have been commenced, having elected to participate in such offering. No waiver of any terms or conditions of this Agreement shall operate as a waiver of any other breach of such terms and conditions or any other term or condition, nor shall any failure to enforce any provision hereof operate as a waiver of such provision or of any other provision hereof. No written waiver hereunder, unless it by its own terms explicitly provides to the contrary, shall be construed to effect a continuing waiver of the provisions being waived and no such waiver in any instance shall constitute a waiver in any other instance or for any other purpose or impair the right of the party against whom such waiver is claimed in all other instances or for all other purposes to require full compliance with such provision. The failure of any party hereto to enforce any provision of this Agreement shall not be construed as a waiver of such provision and shall not affect the right of such party thereafter to enforce each provision of this Agreement in accordance with its terms.

Section 3.05 Notices. Any notice or other communication required or which may be given hereunder shall be in writing and shall be sent by certified or regular mail, by private national courier service (return receipt requested, postage prepaid), by personal delivery, by electronic mail or by facsimile transmission. Such notice or communication shall be deemed given (i) if mailed, two days after the date of mailing, (ii) if sent by national courier service, one Business Day after being sent, (iii) if delivered personally, when so delivered, (iv) if sent by electronic mail, on the Business Day such electronic mail is transmitted, or (v) if sent by facsimile transmission, on the Business Day such facsimile is transmitted, in each case as follows:

(a) If to the Parent:

The Real Brokerage Inc.
133 Richmond Street West, Suite 302
Toronto, Ontario M5H 2L3
Attention: Tamir Poleg, Chief Executive Officer
Email: [*redacted*]

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

Gowling WLG (Canada) LLP
1 First Canadian Place,
100 King Street West, Suite 1600,
Toronto, Ontario, M5X 1G5
Attention: Jason A. Saltzman
Email: [*redacted*]

(b) If to the Investor or any Holder:

c/o Insight Partners
1114 Avenue of the Americas, Floor 36 New York, NY 10036
Attention: Andrew Prodromos, Deputy General Counsel and Chief Compliance Officer
E-mail: [*redacted*]

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

Willkie Farr & Gallagher LLP
787 Seventh Avenue
New York, NY 10019
Attention: Robert A. Rizzo
Email: [*redacted*]

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

Stikeman Elliott LLP

5300 Commerce Court West
199 Bay Street
Toronto, Ontario M5L 1B9
Attention: Jonah Mann
E-mail: [*redacted*]

If any time period for giving notice or taking action hereunder expires on a day which is a Saturday, Sunday or legal holiday in the State of New York or the jurisdiction in which the Parent's principal office is located, the time period shall automatically be extended to the Business Day immediately following such Saturday, Sunday or legal holiday.

Section 3.06 Successors and Assigns. Subject to Section 2.13, this Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective successors and assigns (including any trustee in bankruptcy). No assignment or delegation of any of the Parent's rights, interests or obligations under Article II shall be effective against any Holder without the prior written consent of the Investors.

Section 3.07 Execution and Counterparts. This Agreement may be executed in two or more counterparts, all of which when taken together shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to each other party, it being understood that the parties need not sign the same counterpart. In the event that any signature is delivered by facsimile transmission or by e-mail delivery of a ".pdf" format data file, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or .pdf signature page were an original thereof.

Section 3.08 Governing Law.

(a) This Agreement and all matters, claims or Proceedings (whether at law, in equity, in Contract, in tort or otherwise) based upon, arising out of or relating to this Agreement or the negotiation, execution or performance of this Agreement, shall be interpreted and enforced in accordance with, and the respective rights and obligations of the parties shall be governed by, the laws of the State of Delaware applicable to contracts executed in and to be performed entirely within that State, regardless of the laws that might otherwise govern under any applicable conflict of laws principles.

(b) All Proceedings arising out of or relating to this Agreement shall be heard and determined in the Chancery Court of the State of Delaware (or, if the Chancery Court of the State of Delaware declines to accept jurisdiction over any Proceeding, any state or federal court within the State of Delaware) and appellate courts therefrom and the parties hereto hereby irrevocably submit to the exclusive jurisdiction and venue of such courts in any such Proceeding and irrevocably waive the defense of an inconvenient forum or lack of jurisdiction to the maintenance of any such Proceeding. The consents to jurisdiction and venue set forth in this Section 3.08(b) shall not constitute general consents to service of process in the State of Delaware, shall have no effect for any purpose except as provided in this Section 3.08(b) and shall not be deemed to confer rights on any Person other than the parties hereto. Each party hereto agrees that service of process upon such party in any Proceeding arising out of or relating to this Agreement shall be effective if notice is given by overnight courier, with a copy by e-mail, at the address set forth in Section 3.05 of this Agreement. The parties hereto agree that a final judgment in any such Proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by applicable Law; provided that, nothing in the foregoing shall restrict any party's rights to seek any post-judgment relief regarding, or any appeal from, a final trial court judgment.

Section 3.09 Waiver of Jury Trial.

(a) EACH OF THE PARTIES HERETO ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE IT HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT IT MAY HAVE TO TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (A) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF ACTION, SEEK TO ENFORCE THE FOREGOING WAIVER, (B) IT UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF SUCH WAIVER, (C) IT MAKES SUCH WAIVER VOLUNTARILY AND (D) IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVER AND CERTIFICATIONS IN THIS SECTION 3.09(a)

(b) To the extent that any party has or hereafter may acquire any immunity from jurisdiction of any court or from any legal process (whether through service or notice, attachment prior to judgment, attachment in aid of execution, execution or otherwise) with respect to itself or its property, each such party hereby irrevocably waives such immunity in respect of its obligations with respect to this Agreement; provided, however, that this provision does not, and shall not be deemed to, modify the exclusive jurisdiction provisions in Section 3.08.

Section 3.10 Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, illegal, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions set forth herein shall remain in full force and effect and shall in no way be affected, impaired or invalidated, and the parties hereto shall use their commercially reasonable efforts to find and employ an alternative means to achieve the same or substantially the same result as that contemplated by such term, provision, covenant or restriction. It is hereby stipulated and declared to be the intention of the parties that they would have executed the remaining terms, provisions, covenants and restrictions without including any of such that may be hereafter declared invalid, illegal, void or unenforceable.

Section 3.11 Descriptive Headings. Interpretation; No Strict Construction. The descriptive headings of this Agreement are inserted for convenience only and do not constitute a substantive part of this Agreement. Whenever required by the context, any pronoun used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular forms of nouns, pronouns, and verbs shall include the plural and vice versa. Reference to any agreement, document, or instrument means such agreement, document, or instrument as amended or otherwise modified from time to time in accordance with the terms thereof, and, if applicable, hereof. The words “include”, “includes” or “including” in this Agreement shall be deemed to be followed by “without limitation”. The use of the words “or,” “either” or “any” shall not be exclusive. The parties hereto have participated jointly in the negotiation and drafting of this Agreement. If an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties hereto, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement. All references to laws, rules, regulations and forms in this Agreement shall be deemed to be references to such laws, rules, regulations and forms, as amended from time to time or, to the extent replaced, the comparable successor thereto in effect at the time. All references to agencies, self-regulatory organizations or governmental entities in this Agreement shall be deemed to be references to the comparable successors thereto from time to time.

Section 3.12 Entire Agreement. This Agreement and any certificates, documents, instruments and writings that are delivered pursuant hereto constitute the entire agreement and understanding of the parties hereto in respect of the subject matter hereof and supersedes all prior understandings, agreements or representations by or among the parties hereto, written or oral, to the extent they relate in any way to the subject matter hereof.

Section 3.13 Termination.

(a) The rights and obligations of the Parent and any Holder under Article II (other than those set forth in Section 2.07 (*Post-Offering Lock-Up*), which shall terminate at the expiration of the time periods set forth therein) shall terminate on the date such Holder no longer beneficially owns any Registrable Securities.

(b) The terms of this Article III shall not be terminable.

(c) Notwithstanding anything to the contrary in this Section 3.13, this Agreement (or any article or provision herein) may be terminated upon the mutual written consent of the parties hereto.

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IN WITNESS WHEREOF, the parties hereto have executed this Investor and Registration Rights Agreement as of the date first written above.

PARENT:

THE REAL BROKERAGE INC.

By: *signed "Tamir Poleg"*
Name: Tamir Poleg
Title: Chief Executive Officer

INVESTORS:

INSIGHT PARTNERS XI, L.P.

By: Insight Associates XI, L.P., its general partner
By: Insight Associates XI, Ltd., its general partner

By: signed "Andrew Prodromos"
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS (CAYMAN) XI, L.P.

By: Insight Associates XI, L.P., its general partner
By: Insight Associates XI, Ltd., its general partner

By: signed "Andrew Prodromos"
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS XI (CO-INVESTORS), L.P.

By: Insight Associates XI, L.P., its general partner
By: Insight Associates XI, Ltd., its general partner

By: signed "Andrew Prodromos"
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS XI (CO-INVESTORS) (B), L.P.

By: Insight Associates XI, L.P., its general partner
By: Insight Associates XI, Ltd., its general partner

By: signed "Andrew Prodromos"
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS (DELAWARE) XI, L.P.

By: Insight Associates XI, L.P., its general partner
By: Insight Associates XI, Ltd., its general partner

By: signed "Andrew Prodromos"
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS (EU) XI, S.C.Sp.

By: Insight Associates (EU) XI, S.a.r.l., its general partner

By: signed "Andrew Prodromos"
Name: Andrew Prodromos
Title: Authorized Officer

SCHEDULE I

Investor Name and Address	Units	Warrants	Purchase Price (CDN)
Insight Partners XI, L.P. c/o Insight Partners 1114 Avenue of the Americas, 36th Fl. New York, NY 10036	7,187,947	7,187,947	Units: $7,935,493.49 Warrants: $2,990,185.95
Insight Partners (Cayman) XI, L.P. c/o Insight Partners 1114 Avenue of the Americas, 36th Fl. New York, NY 10036	7,874,762	7,874,762	Units: $8,693,737.25 Warrants: $3,275,900.99
Insight Partners (Delaware) XI, L.P. c/o Insight Partners 1114 Avenue of the Americas, 36th Fl. New York, NY 10036	1,005,470	1,005,470	Units: $1,110,038.88 Warrants: $418,275.52
Insight Partners XI (Co-Investors), L.P. c/o Insight Partners 1114 Avenue of the Americas, 36th Fl. New York, NY 10036	119,693	119,693	Units: $132,141.07 Warrants: $49,792.29
Insight Partners XI (Co-Investors) (B), L.P. c/o Insight Partners 1114 Avenue of the Americas, 36th Fl. New York, NY 10036	164,970	164,970	Units: $182,126.88 Warrants: $68,627.52
Insight Partners (EU) XI, S.C.Sp. c/o Insight Partners 1114 Avenue of the Americas, 36th Fl. New York, NY 10036	934,000	934,000	Units: $1,031,136.00 Warrants: $388,544.00
Total:	**17,286,842**	**17,286,842**	**Units: $19,084,673.57** **Warrants: $7,191,326.27**

Execution Version

REGISTRATION RIGHTS AGREEMENT

This Registration Rights Agreement (including all exhibits hereto and as may be amended, supplemented or amended and restated from time to time in accordance with the terms hereof, this "*Agreement*") is made and entered into as of December 2, 2020, by and among The Real Brokerage Inc., a corporation existing under the laws of the Province of British Columbia (the "*Parent*") and each of the investors whose names appear on the signature pages attached hereto (each, an "*Investor*" and collectively, the "*Investors*").

WHEREAS, this Agreement is entered into in connection with the issuance and sale by Real PIPE, LLC, a Delaware limited liability company and wholly-owned subsidiary of the Parent (the "*Issuer*"), of 17,286,842 units of the Issuer's preferred equity interests (the "*Preferred Equity*"), to the Investors, pursuant to that certain Securities Subscription Agreement, dated as of December 2, 2020, by and among the Parent, the Issuer and the Investors (the "*Subscription Agreement*");

WHEREAS, in connection with the purchase of the Preferred Equity by the Investors, the Parent has agreed to provide the registration and other rights set forth in this Agreement for the benefit of the Investors; and

WHEREAS, as a condition to the obligations of the Parent, the Issuer and the Investors under the Subscription Agreement, the parties hereto hereby agree to execute and deliver this Agreement.

NOW, **THEREFORE**, **IN CONSIDERATION** of the mutual covenants contained in this Agreement, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto hereby agree as follows:

ARTICLE I
DEFINITIONS

Section 1.01 Definitions. As used in this Agreement, the terms set forth below shall have the following meanings:

"*Affiliate*" means, with respect to any Person, any other Person that directly or indirectly controls, is controlled by, or is under common control with, such Person. The term "control" (including the terms "controlled by" and "under common control with") as used in this definition means the possession, directly or indirectly (including through one or more intermediaries), of the power or a authority to direct or cause the direction of management, whether through the ownership of voting securities, by contract or otherwise. For purposes of this Agreement, no member of the Investor Group shall be an Affiliate of the Parent or any of its subsidiaries, and neither the Parent nor any of its subsidiaries shall be an Affiliate of any member of the Investor Group.

"*beneficially own*" (and related terms such as "beneficial ownership" and "beneficial owner") shall have the meaning given to such term in Rule 13d-3 under the Exchange Act, and any Person's beneficial ownership of securities shall be calculated in accordance with the provisions of such Rule.

"*Board*" means the Board of Directors of the Parent.

"*Business Day*" means any day, other than: (a) a Saturday, Sunday or statutory holiday in the Province of Ontario or the State of New York; or (b) a day on which banks are generally closed in the Province of Ontario or the State of New York.

"*Canadian Securities Laws*" means the applicable securities legislation of each of the provinces of British Columbia, Ontario and Alberta and any other provinces or territories in which Real becomes a reporting issuer and all published regulations, policy statements, orders, rules, instruments, rulings and interpretation notes issued thereunder or in relation thereto, as the same may hereafter be amended from time to time or replaced.

"*Chief Executive Officer*" means the executive holding the position of Chief Executive Officer of the Parent.

"*Closing Date*" means the date of consummation of the transactions contemplated by the Subscription Agreement.

"*Commission*" means the Securities and Exchange Commission.

"*Common Shares*" means the Parent's common stock, par value $0.01 per share.

"*Counsel to the Holders*" means with respect to any Underwritten Offering or Piggyback Offering, the counsel selected by the Investors.

"*Effective Date*" means the date that a Registration Statement filed pursuant to this Agreement is first declared effective by the Commission.

"*Effectiveness Period*" means the period beginning on the Effective Date for a Registration Statement and ending at the time all Registrable Securities covered by such Registration Statement (or if such Registration Statement becomes unavailable, another Registration Statement) have ceased to be Registrable Securities.

"*Exchange Act*" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

"*Form S-1*" means Form S-1 under the Securities Act, or any other form hereafter adopted by the Commission for the general registration of securities under the Securities Act.

"*Form S-3*" means Form S-3 under the Securities Act, or any other form hereafter adopted by the Commission having substantially the same usage as Form S-3.

"*Form S-4*" means Form S-4 under the Securities Act, or any other form hereafter adopted by the Commission having substantially the same usage as Form S-4.

"*Form S-8*" means Form S-8 under the Securities Act, or any other form hereafter adopted by the Commission having substantially the same usage as Form S-8.

"*Holder*" or "*Holders*" means the Investors and any additional parties identified on the signature pages of any joinder agreement executed and delivered pursuant to Section 2.13 Person shall cease to be a Holder hereunder at such time as it ceases to hold any Registrable Securities.

"*Investor*" means, collectively, Insight Partners XI, L.P., Insight Partners (Cayman) XI, L.P., Insight Partners XI (Co-Investors), L.P., Insight Partners XI (Co-Investors) (B), L.P., Insight Partners (Delaware) XI, L.P., and Insight Partners (EU) XI, S.C.Sp. and their respective successors and permitted assigns in accordance with this Agreement, the Limited Liability Company Agreement.

"*Investor Group*" means Insight Partners XI, L.P., Insight Partners (Cayman) XI, L.P., Insight Partners XI (Co-Investors), L.P., Insight Partners XI (Co-Investors) (B), L.P., Insight Partners (Delaware) XI, L.P. and Insight Partners (EU) XI, S.C.Sp., the Holders and each of their respective Affiliates.

"*Limited Liability Company Agreement*" means the Amended and Restated Limited Liability Company Agreement, dated as of the date hereof, of the Issuer, as the same may be amended or supplemented from time to time.

"*Nasdaq*" means the Nasdaq Global Select Market.

"*Permitted Transferee*" of a Holder means any Person who is permitted to be a transferee pursuant to Section 4.3 of the Investor Rights Agreement, dated as of the date hereof, by and between the Issuer, the Parent and the Investors.

"*Person*" means an individual or corporation, partnership, trust, incorporated or unincorporated association, joint venture, limited liability company, joint stock company, government (or an agency or subdivision thereof) or other entity of any kind.

"*Proceeding*" means an action, claim, suit, investigation or proceeding (including an investigation or partial proceeding, such as a deposition), whether commenced or threatened.

"*Prospectus*" means the prospectus included in a Registration Statement (including a prospectus that includes any information previously omitted from a prospectus filed as part of an effective registration statement in reliance upon Rule 430A promulgated under the Securities Act), as amended or supplemented by any prospectus supplement, with respect to the terms of the offering of any portion of the Registrable Securities covered by a Registration Statement, and all other amendments and supplements to the Prospectus, including post-effective amendments, and all material incorporated by reference or deemed to be incorporated by reference in such Prospectus.

"*Registration Expenses*" means all fees and expenses incident to the Parent's performance under or compliance with this Agreement to effect the registration of Registrable Securities on a Registration Statement pursuant to Section 2.01 or an Underwritten Offering covered under this Agreement, including all registration, filing, securities exchange listing and Trading Market fees, all registration, filing, qualification and other fees and expenses of complying with securities or blue sky laws, fees of the Financial Industry Regulatory Authority, fees of transfer agents and registrars, reasonable fees and expenses incurred in connection with any "road show" for an

Underwritten Offering, all word processing, duplicating and printing expenses, any transfer taxes not otherwise attributable to the sale of Registrable Securities, the fees and disbursements of counsel, and independent public accountants, including the expenses of any special audits or "cold comfort" letters required by or incident to such performance and compliance, and the fees and disbursements of Counsel to the Holders.

"*Registrable Securities*" means, collectively, (a) the Common Shares issued or that may be issuable to a Holder upon redemption or exchange of the Preferred Equity owned by such Holder pursuant to the terms of the Limited Liability Company Agreement, (b) the Common Shares issuable to a Holder upon exercise of the Warrants and (c) any additional Common Shares issued or distributed in respect of any such shares by way of a stock dividend, stock split or distribution, or in connection with a combination of shares, and any security into which such Common Shares shall have been converted or exchanged in connection with a recapitalization, reorganization, reclassification, merger, consolidation, exchange, distribution or otherwise; *provided*, *however*, that as to any Registrable Securities, such securities shall cease to constitute Registrable Securities upon the earliest to occur of: (i) when a Registration Statement covering such Registrable Securities becomes or has been declared effective by the Commission and such Registrable Securities have been sold or disposed of pursuant to such effective Registration Statement; (ii) when such Registrable Securities have been sold or disposed of pursuant to Rule 144 under the Securities Act (or any successor or similar provision adopted by the Commission then in effect); (iii) when such Registrable Securities are no longer subject to the volume and manner of sale restrictions on trading under the provisions of Rule 144 under the Securities Act, and the current public information requirement of Rule 144(e) no longer applies; or (iv) when such Registrable Securities have been sold or disposed of in a private transaction in which the transferor's rights under this Agreement are not assigned to the transferee of such securities pursuant to Section 2.13.

"*Registration Statement*" means any one or more registration statements of the Parent filed under the Securities Act (or by reliance on the Multijurisdictional Disclosure System, if applicable) that covers the resale of any of the Registrable Securities pursuant to the provisions of this Agreement (including any registration statement relating to the offer and sale of Registrable Securities by Holders on a continuous or delayed basis pursuant to Rule 415), amendments and supplements to such registration statements, including post-effective amendments, and all exhibits and all reports incorporated by reference or deemed to be incorporated by reference in such registration statements.

"*Rule 144*" means Rule 144 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

"*Rule 158*" means Rule 158 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

"*Rule 415*" means Rule 415 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

"*Rule 424*" means Rule 424 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

"*Securities Act*" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

"*Securities Laws*" means the Securities Act and the Exchange Act.

"*Selling Expenses*" means all (a) underwriting fees, discounts and selling commissions allocable to the sale of Registrable Securities, and (b) transfer taxes allocable to the sale of the Registrable Securities, if any.

"*Selling Holder*" means a Holder who is selling Registrable Securities under a Registration Statement pursuant to the terms of this Agreement.

"*Selling Shareholder Questionnaire*" means a selling shareholder questionnaire reasonably adopted by the Parent from time to time.

"*Trading Day*" means a day during which trading in the Common Shares occurs in the Trading Market, or if the Common Shares are not listed on a Trading Market, a Business Day.

"*Trading Market*" means the Nasdaq or whichever national securities exchange on which the Common Shares are listed or quoted for trading on the date in question.

"Warrants" has the meaning provided for in the Subscription Agreement.

The terms set forth below shall have the meanings ascribed to them in the following sections of this Agreement:

Defined Term	**Section Reference**
Advice	Section 2.16
Agreement	Preamble
Grace Period	Section 2.03(a)
Indemnified Party	Section 2.10
Indemnifying Party	Section 2.10
Independent Interests	Section 3.07
Information	Section 3.07
Investors	Preamble
Issuer	Preamble
Losses	Section 2.08
Other Holder	Section 2.04(a)
Parent	Preamble
Piggyback Notice	Section 2.04(a)
Piggyback Offering	Section 2.04(a)
Post-Offering Lock-up Period	Section 2.07(a)
Preferred Equity	Recitals
Representatives	Section 3.07
Subscription Agreement	Preamble
Transfer	Section 2.07(a)
Underwritten Offering	Section 2.02(a)

ARTICLE II
REGISTRATION RIGHTS

Section 2.01 Shelf Registration.

(a) Within 60 days of a listing or posting for trading on a nationally recognized stock exchange in the United States, the Parent shall prepare and file a Registration Statement with the Commission.

(b) The Registration Statement filed with the Commission pursuant to this Section 2.01 shall be on Form S-3 or, if Form S-3 is not then available to the Parent, on Form S-1 or such other form of registration statement as is then available to effect a registration for resale of the Registrable Securities, covering the Registrable Securities, and shall contain a Prospectus in such form as to permit any selling Holder covered by such Registration Statement to sell such Registrable Securities pursuant to Rule 415 at any time beginning on the Effective Date for such Registration Statement. The Parent shall use reasonable best efforts to cause a Registration Statement filed pursuant to this Section 2.01 to be declared effective as soon as reasonably practicable thereafter; *provided*, *however*, that in no event shall the Parent be required to file and have declared effective a Registration Statement prior to the date that is 180 days after the date of this Agreement.

(c) During the Effectiveness Period, the Parent shall use its reasonable best efforts to cause a Registration Statement filed pursuant to this Section 2.01 to remain effective, and to be supplemented and amended to the extent necessary to ensure that such Registration Statement is available or, if not available, that another Registration Statement is available for the resale of the Registrable Securities without interruption until all Registrable Securities have ceased to be Registrable Securities. As soon as practicable following the Effective Date of a Registration Statement, but in any event within three Business Days of such date, the Parent shall notify the Holders of the effectiveness of such Registration Statement. At the time it becomes effective, a Registration Statement (including the documents incorporated therein by reference) will comply as to form in all material respects with all applicable requirements of the Securities Act and the Exchange Act and will not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading (in the case of any prospectus contained in such Registration Statement, in the light of the circumstances under which a statement is made).

(d) A Registration Statement shall provide for the distribution or resale pursuant to any method or combination of methods legally available to, and requested by, the Holders.

Section 2.02 Procedures For Underwritten Offerings.

(a) Beginning six months after the filing of a Registration Statement filed in accordance with Section 2.01, the Holders may request to sell all or any portion of their Registrable Securities included thereon in an underwritten offering that is registered pursuant to such Registration Statement (an "*Underwritten Offering*").

(b) In connection with any Underwritten Offering, Parent shall select one or more investment banking firms of national standing to be the managing underwriter or underwriters with the consent of the Investor, which consent shall not be unreasonably withheld, conditioned or delayed.

(c) As a condition for inclusion of a Selling Holder's Registrable Securities in an Underwritten Offering, the Selling Holder shall agree to enter into an underwriting agreement with the underwriters and complete and execute all questionnaires, powers of attorney, indemnities and other documents reasonably required under the terms of such underwriting agreement; *provided*, that the underwriting agreement is in customary form and reasonably acceptable to the Selling Holders; and *provided further*, that no Selling Holder shall be required to make any representations or warranties to the Parent or the underwriters (other than representations and warranties regarding (i) such Selling Holder's ownership of its Registrable Securities to be sold or transferred, (ii) such Selling Holder's power and authority to effect such transfer and (iii) such matters pertaining to compliance with Securities Laws as may be reasonably requested). If any Selling Holder disapproves of the terms of an underwriting, such Selling Holder may elect to withdraw therefrom by notice to the Parent and the managing underwriter; *provided*, that any such withdrawal must be made no later than the time of pricing of such Underwritten Offering. Subject to Section 2.06 below, if all Selling Holders withdraw from an Underwritten Offering prior to the pricing of such Underwritten Offering or if the Registration Statement relating to an Underwritten Offering is suspended pursuant to Section 2.03, then such abandoned or suspended, as applicable, Underwritten Offering will not be considered an Underwritten Offering under this Section 2.02.

(d) If the managing underwriter or underwriters for an Underwritten Offering advises the Parent that the total amount of Registrable Securities or other Common Shares to be included in such Underwritten Offering is such as to materially adversely affect the success of such Underwritten Offering, the number of Registrable Securities or other Common Shares to be included in such offering will be reduced as follows: *first*, the Parent shall reduce or eliminate the Common Shares to be included by any Person other than a Selling Holder or the Parent; *second*, the Parent shall reduce or eliminate any Common Shares to be included by the Parent; and *third*, the Parent shall reduce the number of Registrable Securities to be included by Selling Holders on a pro rata basis based on the total number of Registrable Securities requested by the Selling Holders to be included in the Underwritten Offering.

(e) The Parent will not be required to undertake an Underwritten Offering pursuant to this Section 2.02 if the Parent has undertaken an Underwritten Offering, whether for its own account or pursuant to this Agreement, within the 180 days preceding the date of the request for such Underwritten Offering pursuant to this Section 2.02 is given to the Parent.

(f) If the Common Shares are not listed or posted for trading on a nationally recognized stock exchange in the United States on or prior to the one year anniversary of the date hereof, then the provisions of the Agreement shall be deemed to apply to distributions or offerings of Common Shares under the Canadian Securities Laws, *mutatis mutandis*, (including, for the avoidance of doubt, that all references in the Agreement to a form or filing that may be made by the Parent shall be deemed to be references to the similar or corresponding form or filing under Canadian Securities Laws).

(g) The Parent shall not be required to effect more than two (2) registrations pursuant to this Section 2.02. An Underwritten Offering shall not be considered made for purposes of this Section 2.02 unless the offering has resulted in a disposition by the Selling Holders of at least 50% of the amount of Registrable Securities to be included.

Section 2.03 Grace Periods.

(a) Notwithstanding anything to the contrary herein:

(i) the Parent shall be entitled to postpone the filing or effectiveness of, or, at any time after a Registration Statement has been declared effective by the Commission suspend the use of, a Registration Statement (including the Prospectus included therein) if in the good faith judgment of the Board, (A) such registration, offering or use would reasonably be expected to materially affect in an adverse manner, or materially interfere with any bona fide material financing of the Parent or any material transaction under consideration by the Parent or would require the disclosure of information that has not been, and is not otherwise required to be, disclosed to the public and the premature disclosure of which would materially affect the Parent in an adverse manner; (B) the Parent is in possession of material non-public information, the disclosure of which would not be, in the good faith opinion of the Board, in the best interests of the Parent; or (C) the Parent must amend or supplement the affected registration statement or the related prospectus so that such registration statement or prospectus shall not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the case of the prospectus in light of the circumstances under which they were made, not misleading (the period of a postponement or suspension as described in clause (A) and/or a delay described in clause (B) or this clause (C), a "*Grace Period*"); *provided however*, that in the event such Registration Statement relates to an Underwritten Offering pursuant to Section 2.02, then the Holders initiating such Underwritten Offering shall be entitled to withdraw the request for the Underwritten Offering and, if such request is withdrawn, it shall not count against the limits imposed pursuant to Section 2.02 and the Parent shall pay all Registration Expenses in connection with such registration.

(b) The Parent shall promptly (i) notify the Holders in writing of the existence of the Grace Period (provided that the Parent shall not disclose the content of such material non- public information to any Holder, without the express consent of such Holder) or the need to file a post-effective amendment, as applicable, and the date on which such Grace Period began or will begin, and (ii) notify the Holders in writing of the date on which the Grace Period ends.

(c) The Parent shall not utilize the right to a Grace Period more than twice in any 365 day period nor for more than 90 days in the aggregate during any 365 day period. For purposes of determining the length of a Grace Period, the Grace Period shall be deemed to begin on and include the date the Holders receive the notice referred to in clause (i) of Section 2.03(b) and shall end on and include the later of the date the Holders receive the notice referred to in clause (iii) of Section 2.03(b) and the date referred to in such notice.

Section 2.04 Piggyback Registration.

(a) If at any time, and from time to time, the Parent proposes to conduct an underwritten offering of Common Shares for its own account or for the account of other holders of Common Shares entitled to participate in such offering ("*Other Holders*"), then the Parent shall give written notice (the "*Piggyback Notice*") of such underwritten offering to the Holders at least ten Business Days prior to the earlier of the date of filing of the registration statement or the date of filing of the preliminary prospectus supplement for such underwritten offering. Such Piggyback Notice shall include the number of Common Shares to be offered, the proposed date of such underwritten offering, any proposed means of distribution of such Common Shares, any proposed managing underwriter of such Common Shares and a good faith estimate by the Parent of the proposed maximum offering price of such Common Shares (as such price would appear on the front cover page of a registration statement), and shall offer the Holders the opportunity to sell such amount of Registrable Securities as such Holders may request on the same terms and conditions as the Parent or such Other Holders (a "*Piggyback Offering*"). Subject to Section 2.04(b), the Parent will include in each Piggyback Offering all Registrable Securities for which the Parent has received written requests for inclusion within ten (10) Business Days after the date the Piggyback Notice is given; *provided*, *however*, that in the case of a "takedown" of Common Shares registered under a shelf registration statement previously filed by the Parent, such Registrable Securities are covered by an existing and effective Registration Statement that may be utilized for the offering and sale of the Registrable Securities requested to be offered.

(b) The Parent will cause the managing underwriter or underwriters of the proposed offering to permit the Selling Holders that have requested Registrable Securities to be included in the Piggyback Offering to include all such Registrable Securities on the same terms and conditions as any similar securities, if any, of the Parent or the Other Holders. Notwithstanding the foregoing, if the managing underwriter or underwriters of such underwritten offering advises the Parent and the Selling Holders in writing that, in its view, the total amount of Common Shares that the Parent, such Selling Holders and any Other Holders propose to include in such offering is such as to materially adversely affect the success of such underwritten offering, then:

(i) if such Piggyback Offering is an underwritten primary offering by the Parent for its own account, the Parent will include in such Piggyback Offering: (A) *first*, all Common Shares to be offered by the Parent; (B) *second*, the Common Shares requested to be included in such Piggyback Offering by the Selling Holders (pro rata among the Selling Holders based on the number of Common Shares each requested to be included); and (C) *third*, the Common Shares requested to be included in such Piggyback Offering by all Other Holders (pro rata among the Other Holders based on the number of Common Shares each requested to be included); or

(ii) if such Piggyback Offering is an underwritten secondary offering for the account of Other Holders exercising "demand" rights pursuant to a prior registration rights agreement, the Parent will include in such registration: (A) *first*, the Common Shares of the Other Holders exercising "demand" rights requested to be included therein (pro rata among such Other Holders based on the number of Common Shares each requested to be included); (B) *second*, the Common Shares proposed to be included in the registration by the Parent; and (C) *third*, the Common Shares requested to be included in such Piggyback Offering by the Selling Holders and any Other Holders entitled to participate therein (pro rata among such Selling Holders and Other Holders based on the number of Common Shares requested to be included); and

in each case, the total amount of securities to be included in such Piggyback Offering is the full amount that, in the view of such managing underwriter, can be sold without materially adversely affecting the success of such Piggyback Offering.

(c) If at any time after giving the Piggyback Notice and prior to the time sales of securities are confirmed pursuant to the Piggyback Offering, the Parent determines for any reason to delay the Piggyback Offering, the Parent may, at its election, give notice of its determination to the Selling Holders, and in the case of such a determination, will be relieved of its obligation to register any Registrable Securities in connection with the abandoned or delayed Piggyback Offering, without prejudice.

(d) Any Selling Holder may withdraw its request for inclusion of its Registrable Securities in a Piggyback Offering by giving written notice to the Parent, at least three Business Days prior to the anticipated date of the filing by the Parent of a prospectus supplement under Rule 424 (which shall be the preliminary prospectus supplement, if one is used in the "takedown") with respect to such offering, of its intention to withdraw from that registration; *provided, however*, that
(i) the Holder's request be made in writing and (ii) the withdrawal will be irrevocable and, after making the withdrawal, the Holder will no longer have any right to include its Registrable Securities in that Piggyback Offering.

Section 2.05 Registration Procedures. If and when the Parent is required to effect any registration under the Securities Act as provided in Section 2.01 or any Underwritten Offering as provided in Section 2.02, the Parent shall use its reasonable best efforts to:

(a) prepare and file with the Commission the requisite Registration Statement to effect such registration and thereafter use its reasonable best efforts to cause such Registration Statement to become and remain effective, subject to the limitations contained herein;

(b) prepare and file with the Commission such amendments and supplements to such Registration Statement and the Prospectus used in connection therewith as may be necessary to keep such Registration Statement effective and to comply with the provisions of the Securities Act and the Exchange Act with respect to the disposition of all Registrable Securities covered by such Registration Statement until such time as all of such Registrable Securities have been disposed of in accordance with the method of disposition set forth in such Registration Statement, subject to the limitations contained herein;

(c) (i) before filing a Registration Statement or Prospectus or any amendments or supplements thereto, at the Parent's expense, furnish to each Holder whose securities are covered by such Registration Statement copies of all such documents, other than documents that are incorporated by reference into such Registration Statement or Prospectus, proposed to be filed and such other documents reasonably requested by such Holders (which may be furnished by email), and afford Counsel to the Holders a reasonable opportunity to review and comment on such documents and (ii) in connection with the preparation and filing of each such Registration Statement pursuant to this Agreement, (A) upon reasonable advance notice to the Parent and subject to the confidentiality obligations set forth in Section 3.13, give each of the foregoing such reasonable access to all financial and other records, corporate documents and properties of the Parent as shall be necessary, in the reasonable opinion of Counsel to the Holders and such underwriters, to conduct a reasonable due diligence investigation for purposes of the Securities Act and the Exchange Act, and (B) upon reasonable advance notice to the Parent and subject to the confidentiality obligations set forth in Section 3.1, during normal business hours, provide such reasonable opportunities to discuss the business of the Parent with its officers, directors, employees and the independent public accountants who have certified its financial statements as shall be necessary, in the reasonable opinion of Counsel to the Holders and such underwriters, to conduct a reasonable due diligence investigation for purposes of the Securities Act and the Exchange Act;

(d) notify each Holder, promptly after the Parent receives notice thereof, of (i) any correspondence from the Commission relating to such Registration Statement or Prospectus,
(ii) the time when such Registration Statement has been declared effective, and (iii) the time when a supplement to any Prospectus forming a part of such Registration Statement has been filed;

(e) with respect to any offering of Registrable Securities furnish to each Selling Holder, without charge, such number of copies of the applicable Registration Statement, each amendment and supplement thereto, the Prospectus included in such Registration Statement (including each preliminary Prospectus, final Prospectus, and any other Prospectus (including any Prospectus filed under Rule 424, Rule 430A or Rule 430B promulgated under the Securities Act and any "issuer free writing prospectus" as such term is defined under Rule 433 promulgated under the Securities Act)), all exhibits and other documents filed therewith and such other documents as such Selling Holder may reasonably request including in order to facilitate the disposition of the Registrable Securities owned by such Selling Holder a copy of any and all comment letters, transmittal letters or other correspondence to or received from, the Commission or any other governmental authority relating to such Registration Statement, Prospectus or offer;

(f) (i) register or qualify all Registrable Securities covered by such Registration Statement under such other securities or blue sky laws of such states or other jurisdictions of the United States of America as the Holders covered by such Registration Statement shall reasonably request in writing, (ii) keep such registration or qualification in effect for so long as such Registration Statement remains in effect and (iii) take any other action that may be necessary or reasonably advisable to enable the Holders to consummate the disposition in such jurisdictions of the securities to be sold by the Holders, except that the Parent shall not for any such purpose be required to qualify generally to do business as a foreign corporation in any jurisdiction wherein it would not but for the requirements of this subsection (f) be obligated to be so qualified, to subject itself to taxation in such jurisdiction or to consent to general service of process in any such jurisdiction;

(g) cause all Registrable Securities included in such Registration Statement to be registered with or approved by such other federal or state governmental agencies or authorities

as necessary upon the opinion of counsel to the Parent or Counsel to the Holders of Registrable Securities included in such Registration Statement to enable such Holder or Holders thereof to consummate the disposition of such Registrable Securities in accordance with their intended method of distribution thereof;

(h) with respect to any Underwritten Offering, obtain a signed:

(i) opinion of outside counsel for the Parent (including a customary 10b-5 statement), dated the date of the closing under the underwriting agreement and addressed to the underwriters, reasonably satisfactory (based on the customary form and substance of opinions of issuers' counsel customarily given in such an offering) in form and substance to such underwriters, if any;

(ii) "comfort" letter, dated the date of the underwriting agreement and another dated the date of the closing under the underwriting agreement and addressed to the underwriters and signed by the independent public accountants who have certified the Parent's financial statements included or incorporated by reference in such Registration Statement, reasonably satisfactory (based on the customary form and substance of "cold comfort" letters of issuers' independent public accountants customarily given in such an offering) in form and substance to such underwriters covering substantially the same matters with respect to such Registration Statement (and the Prospectus included therein) as are customarily covered in accountants' comfort letters delivered to underwriters in such types of offerings of securities; and

(iii) certificate of the chief financial officer or other appropriate executive officer of the Parent, dated the date of the underwriting agreement and another dated the date of the closing under the underwriting agreement and addressed to the underwriters, if reasonably requested by the underwriters for the purpose of certifying certain financial information not addressed in the comfort letter referred to in clause (ii) immediately above;

(i) notify each Holder of Registrable Securities included in such Registration Statement at any time when a Prospectus relating thereto is required to be delivered under the Securities Act, upon discovery that, or upon the happening of any event as a result of which, the Prospectus included in such Registration Statement, as then in effect, includes an untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances under which they were made and for which the Parent chooses to suspend the use of the Registration Statement and Prospectus in accordance with the terms of this Agreement, at the written request of any such Holder, promptly prepare and furnish to it a reasonable number of copies of a supplement to or an amendment of such Prospectus as may be necessary so that, as thereafter delivered to the purchasers of such securities, such Prospectus, as supplemented or amended, shall not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances under which they were made;

(j) notify the Holders of Registrable Securities included in such Registration Statement promptly of any request by the Commission for the amending or supplementing of such Registration Statement or Prospectus or for additional information relating thereto;

(k) advise the Holders of Registrable Securities included in such Registration Statement promptly after the Parent receives notice or obtains knowledge of any order suspending the effectiveness of a Registration Statement relating to the Registrable Securities and promptly use its reasonable best efforts to obtain the withdrawal;

(l) otherwise comply with all applicable rules and regulations of the Commission and any other governmental agency or authority having jurisdiction over the offering of Registrable Securities, and make available to its shareholders, as soon as reasonably practicable, an earnings statement covering the period of at least 12 months, but not more than 18 months, beginning with the first full calendar month after the Effective Date of such Registration Statement, which earnings statement shall satisfy the provisions of Section 11(a) of the Securities Act and Rule 158 and which requirement will be deemed satisfied if the Parent timely files complete and accurate information on Form 10-Q and 10-K and Current Reports on Form 8-K under the Exchange Act and otherwise complies with Rule 158;

(m) provide and cause to be maintained a transfer agent and registrar for the Registrable Securities included in a Registration Statement no later than the Effective Date thereof;

(n) enter into such agreements (including an underwriting agreement in customary form) and take such other actions as the Holders beneficially owning a majority of the Registrable Securities included in a Registration Statement or the underwriters, if any, shall reasonably request in order to expedite or facilitate the disposition of such Registrable Securities, including customary indemnification, and provide reasonable cooperation, including, with respect to an Underwritten Offering under Section 2.02, causing at least one (1) executive officer and a senior financial officer to attend and participate in "road shows" and other information meetings organized by the underwriters, if any, as reasonably requested; *provided*, *however*, that the Parent shall have no obligation to participate in more than two "road shows" in any 12-month period and such participation shall not unreasonably interfere with the business operations of the Parent;

(o) if requested by the managing underwriter(s) or the Holders beneficially owning a majority of the Registrable Securities being sold in connection with an Underwritten Offering, promptly incorporate in a prospectus supplement or post-effective amendment such information relating to the plan of distribution for such shares of Registrable Securities provided to the Parent in writing by the managing underwriters and the Holders of a majority of the Registrable Securities being sold and that is required to be included therein relating to the plan of distribution with respect to such Registrable Securities, including information with respect to the number of Registrable Securities being sold to such underwriters, the purchase price being paid therefor by such underwriters and with respect to any other terms of the Underwritten Offering of the Registrable Securities to be sold in such offering, and make any required filings with respect to such information relating to the plan of distribution as soon as practicable after notified of the information;

(p) if reasonably required by the Parent's transfer agent, promptly deliver any authorizations, certificates and directions required by the transfer agent which authorize the transfer agent to transfer such Registrable Securities without legend upon sale by the Holder of such Registrable Securities under the Registration Statement; and

(q) otherwise use its reasonable best efforts to take all other steps necessary to effect the registration of such Registrable Securities contemplated hereby.

In addition, at least 10 Trading Days prior to the first anticipated filing date of a Registration Statement for any registration under this Agreement, the Parent will notify each Holder of the information the Parent requires from that Holder, including any update to or confirmation of the information contained in the Selling Shareholder Questionnaire, if any, which shall be completed and delivered to the Parent promptly upon request and, in any event, within five Trading Days prior to the applicable anticipated filing date. Each Holder further agrees that it shall not be entitled to be named as a selling securityholder in the Registration Statement or use the Prospectus for offers and resales of Registrable Securities at any time, unless such Holder has returned to the Parent a completed and signed Selling Shareholder Questionnaire and a response to any requests for further information as described in the previous sentence and, if an Underwritten Offering, entered into an underwriting agreement with the underwriters in accordance with Section 2.02(c) and Section 2.07. If a Holder of Registrable Securities returns a Selling Shareholder Questionnaire or a request for further information, in either case, after its respective deadline, the Parent shall be permitted to exclude such Holder from being a selling security holder in the Registration Statement or any pre-effective or post-effective amendment thereto. Each Holder acknowledges and agrees that the information in the Selling Shareholder Questionnaire or request for further information as described in this Section 2.05 will be used by the Parent in the preparation of the Registration Statement and hereby consents to the inclusion of such information in the Registration Statement.

Section 2.06 Registration Expenses. The Parent shall pay all reasonable Registration Expenses as determined reasonably and in good faith by the Board, including, in the case of an Underwritten Offering, the Registration Expenses of an Underwritten Offering, regardless of whether any sale is made pursuant to such Underwritten Offering. Each Selling Holder shall pay its pro rata share of all Selling Expenses in connection with any sale of its Registrable Securities hereunder. For the avoidance of doubt, each Selling Holder's pro rata allocation of Selling Expenses shall be the percentage derived by dividing (i) the number of Registrable Securities sold by such Selling Holder in connection with such sale by (ii) the aggregate number of Registrable Securities sold by all Selling Holders in connection with such sale. Notwithstanding the foregoing, the Parent shall not be required to pay for any expenses of any registration proceeding begun pursuant to Sections 2.01 or 2.02 if the registration request is subsequently withdrawn at the request of the Holders of a majority of the Registrable Securities to be registered or included in an offering pursuant to a registration requested thereunder (the "Withdrawing Holders") and, in such event, the Withdrawing Holders shall pay such expenses pro rata based on the number of securities they had requested to include in such registration or offering, unless in the case of Section 2.02 the Withdrawing Holders agree that such registration constitutes the use by the Holders of one (1) Underwritten Offering pursuant to Section 2.02(g), provided, however, that any such withdrawal which is based upon information showing a material change in the condition, business, or prospects of the Parent and which was not known or available to such Withdrawing Holders at the time of their request for such registration and such Withdrawing Holders have withdrawn their request for registration with reasonable promptness after learning of such material change, then the Holders shall not be required to pay any of such expenses and such registration shall not constitute an Underwritten Offering pursuant to Section 2.02(g).

Section 2.07 Post-Offering Lock-up.

(a) In connection with any Underwritten Offering, Piggyback Offering or other underwritten public offering of equity securities by the Parent, except with the written consent of the underwriters managing such offering, no Holder who participates in such offering or who beneficially owns 1% or more of the outstanding Common Shares at such time shall (a) offer, pledge, sell, contract to sell, grant any option, right or warrant to purchase, give, assign, hypothecate, pledge, encumber, grant a security interest in, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of (including through any hedging or other similar transaction) any economic, voting or other rights in or to any equity securities of the Parent, or otherwise transfer or dispose of any equity securities of the Parent, directly or indirectly, to a Person (but excluding (i) any direct or indirect Transfer of a partnership interest in a private equity or similar investment fund that, when aggregated with its parallel funds and alternative investment vehicles, is established to make investments in multiple portfolio companies and not primarily to invest in Parent and (ii) a pledge as collateral for a private equity or similar investment fund's bona fide revolving credit facility that is also secured by other investments of such fund) or (b) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of equity securities of the Parent (any such transaction described in clause (a) or (b) above, a "*Transfer*"), without prior written consent from the Parent, during the seven (7) days prior to and the 180-day period beginning on the date of closing of such offering (the "*Post-Offering Lock-up Period*"), except as part of such offering; *provided*, that nothing herein will prevent any Holder from making a Transfer of Registrable Securities to a Permitted Transferee that is otherwise in compliance with the applicable securities laws, so long as such Permitted Transferee agrees to be bound by the restrictions set forth in this Section 2.07(a). Each such Holder agrees to execute a lock-up agreement in favor of the Parent's underwriters to such effect and, in any event, that the Parent's underwriters in any relevant offering shall be third party beneficiaries of this Section 2.07(a). The provisions of this Section 2.07(a) will no longer apply to a Holder once such Holder ceases to hold Registrable Securities.

(b) In connection with any Underwritten Offering, the Parent shall not effect any Transfer of equity securities of the Parent, or any securities convertible into or exchangeable or exercisable for such securities, without prior written consent from the Selling Holders, during the Post-Offering Lock-up Period, except as part of such offering. The Parent agrees to execute a lock-up agreement in favor of the Selling Holders' underwriters to such effect and, in any event, that the Selling Holders' underwriters in any relevant offering shall be third party beneficiaries to this Section 2.07(b). Notwithstanding the foregoing, the Parent may (i) effect a public sale or distribution of securities of the type described above and during the periods described above if such sale or distribution is made pursuant to registrations on Form S-4 or Form S-8 or as part of any registration of securities offering and sale to employees, directors or consultants of the Parent and its subsidiaries pursuant to any employee stock plan or other employee benefit plan arrangement and (ii) Transfer units of Preferred Equity and issue Common Shares in connection with the redemption or exchange of Preferred Equity at any time in accordance with the terms of the Limited Liability Company Agreement.

Section 2.08 Indemnification by the Parent. The Parent shall, notwithstanding any termination of this Agreement, indemnify, defend and hold harmless each Holder, the officers, directors, agents, partners, members, managers, stockholders, Affiliates, employees and investment managers of each of them, each Person who controls any such Holder (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) and the officers, directors, partners, members, managers, stockholders, agents and employees of each such controlling Person, to the fullest extent permitted by applicable law, from and against any and all losses, claims, damages, liabilities, costs (including reasonable costs of preparation and investigation and reasonable attorneys' fees) and expenses (collectively, "*Losses*"), to which any of them may become subject, that arise out of or are based upon (a) any untrue or alleged untrue statement of a material fact contained in any Registration Statement contemplated herein, any Prospectus or any form of prospectus or in any amendment or supplement thereto or in any preliminary prospectus thereto or (b) any omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements therein (in the case of any Prospectus or form of prospectus or supplement thereto, in light of the circumstances under which they were made) not misleading, except to the extent, but only to the extent, that (i) such untrue statements, alleged untrue statements, omissions or alleged omissions are based upon information regarding such Holder furnished in writing to the Parent by such Holder expressly for use therein, or to the extent that such information relates to such Holder or such Holder's proposed method of distribution of Registrable Securities and was provided by such Holder expressly for use in the Registration Statement, such Prospectus or such form of Prospectus or in any amendment or supplement thereto, or (ii) in the case of an occurrence of an event of the type specified in Section 2.05(i), related to the use by a Holder of an outdated or defective Prospectus after the Parent has notified such Holder in writing that the Prospectus is outdated or defective and prior to the receipt by such Holder of the Advice contemplated and defined in Section 2.16, but only if and to the extent that following the receipt of the Advice the misstatement or omission giving rise to such Loss would have been corrected. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of an Indemnified Party, shall survive the transfer of the Registrable Securities by the Holders, and shall be in addition to any liability which the Parent may otherwise have.

Section 2.09 Indemnification by Holders. Each Holder shall, severally and not jointly, indemnify and hold harmless the Parent, its respective directors, officers, agents and employees, each Person who controls the Parent (within the meaning of Section 15 of the Securities Act and Section 20 of the Exchange Act), and the directors, officers, agents or employees of such controlling Persons, to the fullest extent permitted by applicable law, from and against all Losses, as incurred, arising out of or based upon any untrue or alleged untrue statement of a material fact contained in any Registration Statement, any Prospectus, or any form of prospectus, or in any amendment or supplement thereto or in any preliminary prospectus, or arising out of or relating to any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein (in the case of any Prospectus, or any form of prospectus or supplement thereto, in light of the circumstances under which they were made) not misleading (a) to the extent, but only to the extent, that such untrue statements or omissions are based upon information regarding such Holder furnished in writing to the Parent by such Holder expressly for use therein; (b) to the extent, but only to the extent, that such information relates to such Holder or such Holder's proposed method of distribution of Registrable Securities and was provided by such Holder expressly for use therein or (c) in the case of an occurrence of an event of the type specified in Section 2.05(i), to the extent, but only to the extent, related to the use by such Holder of an outdated or defective Prospectus after the Parent has notified such Holder in writing that the Prospectus is outdated or defective and prior to the receipt by such Holder of the Advice contemplated in Section 2.16, but only if and to the extent that following the receipt of the Advice the misstatement or omission giving rise to such Loss would have been corrected. In no event shall the liability of any Selling Holder hereunder be greater in amount than the dollar amount of the net proceeds received by such Selling Holder upon the sale of the Registrable Securities giving rise to such indemnification obligation. Such indemnity shall remain in full force and effect regardless of any investigation made by or on behalf of an Indemnified Party, shall survive the transfer of the Registrable Securities by the Holders, and shall be in addition to any liability which the Holder may otherwise have.

Section 2.10 Conduct of Indemnification Proceedings.

(a) If any Proceeding shall be brought or asserted against any Person entitled to indemnity under this Section 2.10 (an "*Indemnified Party*"), such Indemnified Party shall promptly notify the Person from whom indemnity is sought (the "*Indemnifying Party*") in writing, and the Indemnifying Party shall have the right to assume the defense thereof, including the employment of counsel reasonably satisfactory to the Indemnified Party and the payment of all reasonable fees and expenses incurred in connection with defense thereof; *provided*, that the failure of any Indemnified Party to give such notice shall not relieve the Indemnifying Party of its obligations or liabilities pursuant to this Agreement, except (and only) to the extent that such failure shall have materially and adversely prejudiced the Indemnifying Party.

(b) An Indemnified Party shall have the right to employ separate counsel in any such Proceeding and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such Indemnified Party or Parties unless: (a) the Indemnifying Party has agreed in writing to pay such fees and expenses; (b) the Indemnifying Party shall have failed promptly to assume the defense of such Proceeding and to employ counsel reasonably satisfactory to such Indemnified Party in any such Proceeding; or (c) the named parties to any such Proceeding (including any impleaded parties) include both such Indemnified Party and the Indemnifying Party, and such Indemnified Party shall have been advised by counsel that in the reasonable judgment of such counsel a conflict of interest exists if the same counsel were to represent such Indemnified Party and the Indemnifying Party; *provided*, that the Indemnifying Party shall not be liable for the reasonable and documented fees and expenses of more than one separate firm of attorneys at any time for all Indemnified Parties. The Indemnifying Party shall not be liable for any settlement of any such Proceeding effected without its written consent, which consent shall not be unreasonably withheld, delayed or conditioned. No Indemnifying Party shall, without the prior written consent of the Indemnified Party, effect any settlement of any pending Proceeding in respect of which any Indemnified Party is a party, unless such settlement includes an unconditional release of such Indemnified Party from all liability on claims that are the subject matter of such Proceeding.

(c) Subject to the terms of this Agreement, all reasonable and documented fees and expenses of the Indemnified Party (including reasonable and documented fees and expenses to the extent incurred in connection with investigating or preparing to defend such Proceeding in a manner not inconsistent with this Section 2.10) shall be paid to the Indemnified Party, as incurred, with reasonable promptness after receipt of written notice thereof to the Indemnifying Party; *provided*, that the Indemnified Party shall promptly reimburse the Indemnifying Party for that portion of such fees and expenses applicable to such actions for which such Indemnified Party is finally judicially determined not to be entitled to indemnification hereunder. The failure to deliver written notice to the Indemnifying Party within a reasonable time of the commencement of any such action shall not relieve such Indemnifying Party of any liability to the Indemnified Party under this Section 2.10, except to the extent that the Indemnifying Party is materially and adversely prejudiced in its ability to defend such action.

Section 2.11 Contribution.

(a) If a claim for indemnification under Section 2.08 or Section 2.09 is unavailable to an Indemnified Party or insufficient to hold an Indemnified Party harmless for any Losses, then each Indemnifying Party, in lieu of indemnifying such Indemnified Party, shall contribute to the amount paid or payable by such Indemnified Party as a result of such Losses, in such proportion as is appropriate to reflect the relative fault of the Indemnifying Party and Indemnified Party in connection with the actions, statements or omissions that resulted in such Losses as well as any other relevant equitable considerations. The relative fault of such Indemnifying Party and Indemnified Party shall be determined by reference to, among other things, whether any action in question, including any untrue or alleged untrue statement of a material fact or omission or alleged omission of a material fact, has been taken or made by, or relates to information supplied by, such Indemnifying Party or Indemnified Party, and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such action, statement or omission.

(b) The parties hereto agree that it would not be just and equitable if contribution pursuant to this Section 2.11 were determined by pro rata allocation or by any other method of allocation that does not take into account the equitable considerations referred to in the immediately preceding paragraph. Notwithstanding the provisions of this Section 2.11, no Holder shall be required to contribute, in the aggregate, any amount in excess of the amount by which the net proceeds actually received by such Holder from the sale of the Registrable Securities subject to the Proceeding exceeds the amount of any damages that such Holder has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation.

Section 2.12 Rule 144 and Rule 144A; Other Exemptions. With a view to making available to the Holders of Registrable Securities the benefits of Rule 144 and Rule 144A promulgated under the Securities Act and other rules and regulations of the Commission that may at any time permit a Holder of Registrable Securities to sell securities of the Parent without registration, until the earlier of (a) such time as when no Registrable Securities remain outstanding and (b) such time as the Parent is no longer subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act, the Parent covenants that it will (i) file in a timely manner all reports and other documents required, if any, to be filed by it under the Securities Act and the Exchange Act and the rules and regulations adopted thereunder or (ii) make available information necessary to comply with Rule 144 and Rule 144A, if available with respect to resales of the Registrable Securities under the Securities Act, at all times, all to the extent required from time to time to enable such Holder to sell Registrable Securities without registration under the Securities Act within the limitation of the exemptions provided by (A) Rule 144 and Rule 144A promulgated under the Securities Act (if available with respect to resales of the Registrable Securities), as such rules may be amended from time to time or (B) any other rules or regulations now existing or hereafter adopted by the Commission. Upon the reasonable request of any Holder of Registrable Securities, the Parent will deliver to such Holder a written statement as to whether it has complied with such information requirements, and, if not, the specific reasons for non-compliance.

Section 2.13 Transfer of Registration Rights. The rights of the Holders to cause the Parent to register Registrable Securities under this Article II may not be transferred or assigned, in whole or in part, without the written consent of the Parent; *provided*, *however*, that a Holder may assign such rights pursuant to this Article II in connection with a transfer of Registrable Securities to a Permitted Transferee so long as (a) such transfer or assignment is effected in accordance with applicable securities laws, (b) the transferee executes a joinder to this Agreement pursuant to which such transferee agrees to be bound by the terms set forth in this Article II, and (c) the Parent is given written notice prior to such transfer or assignment, stating the name and address of each such transferee or assignee and identifying the Registrable Securities with respect to which such registration rights are being transferred or assigned; *provided*, *however*, that any rights assigned hereunder shall apply only in respect of the Registrable Securities that are transferred or assigned and not in respect of any other securities that the transferee or assignee may hold.

Section 2.14 Preservation of Rights. The Parent shall not grant any registration rights to third parties which are more favorable than or inconsistent with the rights granted hereunder unless any such more favorable rights are concurrently added to the rights granted hereunder.

Section 2.15 Parent Status and Listing of Common Shares. The Parent shall use commercially reasonable efforts to:

(a) maintain the Parent's status as a "reporting issuer" not in default under the Canadian Securities Laws in each of the provinces of British Columbia, Ontario and Alberta and any other province or territory in which the Parent may become a "reporting issuer" from time to time; and

(b) maintain the listing of the Common Shares on the TSX Venture Exchange or another nationally recognized stock exchange in the United States or Canada acceptable to the Investors, acting reasonably;

provided, that these covenants shall not restrict or prevent the Parent from engaging in or completing any transaction which would result in the Parent ceasing to be a "reporting issuer" or the Common Shares ceasing to be listed on the TSX Venture Exchange, provided that (i) the holders of Common Shares receive (A) cash, (B) securities of an entity which is listed on a stock exchange in Canada or the United States or such other exchange as may be agreed upon by the Investors or (C) a combination of (A) and (B); or (ii) the Investors or the holders of the Common Shares have approved or otherwise consented to the transaction (by the requisite majority required under the Canadian Securities Acts or corporate law).

Section 2.16 Termination of Registration Rights. The right of any Holder to request registration or inclusion of Registrable Securities in any registration pursuant to this Article II shall terminate upon the fifth anniversary of the Closing Date.

ARTICLE III
MISCELLANEOUS

Section 3.01 Further Assurances. Each of the parties hereto shall execute all such further instruments and documents and take all such further action as any other party hereto may reasonably require in order to effectuate the terms and purposes of this Agreement.

Section 3.02 Remedies. Any Person having rights under any provision of this Agreement shall be entitled to enforce such rights specifically to recover damages caused by reason of any breach of any provision of this Agreement and to exercise all other rights granted by law. The parties hereto agree and acknowledge that money damages may not be an adequate remedy for any breach of the provisions of this Agreement and that any party may in its sole discretion apply to any court of law or equity of competent jurisdiction (without posting any bond or other security) for specific performance and for other injunctive relief in order to enforce or prevent violation of the provisions of this Agreement.

Section 3.03 No Inconsistent Agreements. The Parent shall not hereafter enter into any agreement with respect to its securities which is inconsistent with, abrogates or violates the rights granted to the Investor or any Holders in this Agreement, without the consent of the Investor or such Holders.

Section 3.04 Amendments and Waivers. The provisions of this Agreement, including the provisions of this sentence, may not be amended, modified or supplemented, or waived unless the same shall be in writing and signed by the Parent and the Investors; *provided, however,* that no amendment, modification, supplement, or waiver of any provision of Article II that disproportionately and adversely affects, alters, or changes the interests of any Holder pursuant to Article II shall be effective against such Holder without the prior written consent of such Holder; and *provided, further*, that the waiver of any provision with respect to any Registration Statement or offering may be given by any Holder entitled to participate in such offering or, if such offering shall have been commenced, having elected to participate in such offering. No waiver of any terms or conditions of this Agreement shall operate as a waiver of any other breach of such terms and conditions or any other term or condition, nor shall any failure to enforce any provision hereof operate as a waiver of such provision or of any other provision hereof. No written waiver hereunder, unless it by its own terms explicitly provides to the contrary, shall be construed to effect a continuing waiver of the provisions being waived and no such waiver in any instance shall constitute a waiver in any other instance or for any other purpose or impair the right of the party against whom such waiver is claimed in all other instances or for all other purposes to require full compliance with such provision. The failure of any party hereto to enforce any provision of this Agreement shall not be construed as a waiver of such provision and shall not affect the right of such party thereafter to enforce each provision of this Agreement in accordance with its terms.

Section 3.05 Notices. Any notice or other communication required or which may be given hereunder shall be in writing and shall be sent by certified or regular mail, by private national courier service (return receipt requested, postage prepaid), by personal delivery, by electronic mail or by facsimile transmission. Such notice or communication shall be deemed given (i) if mailed, two days after the date of mailing, (ii) if sent by national courier service, one Business Day after being sent, (iii) if delivered personally, when so delivered, (iv) if sent by electronic mail, on the Business Day such electronic mail is transmitted, or (v) if sent by facsimile transmission, on the Business Day such facsimile is transmitted, in each case as follows:

(a) If to the Parent:

The Real Brokerage Inc.
133 Richmond Street West, Suite 302
Toronto, Ontario M5H 2L3
Attention: Tamir Poleg, Chief Executive Officer
Email: [*redacted*]

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

Gowling WLG (Canada) LLP
1 First Canadian Place,
100 King Street West, Suite 1600,
Toronto, Ontario, M5X 1G5
Attention: Jason A. Saltzman
Email: [*redacted*]

(b) If to the Investor or any Holder:

c/o Insight Partners
1114 Avenue of the Americas, Floor 36 New York, NY 10036
Attention: Andrew Prodromos, Deputy General Counsel and Chief Compliance Officer
E-mail: [*redacted*]

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

Willkie Farr & Gallagher LLP
787 Seventh Avenue
New York, NY 10019
Attention: Robert A. Rizzo
Email: [*redacted*]

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

Stikeman Elliott LLP

5300 Commerce Court West
199 Bay Street
Toronto, Ontario M5L 1B9
Attention: Jonah Mann
E-mail: [*redacted*]

If any time period for giving notice or taking action hereunder expires on a day which is a Saturday, Sunday or legal holiday in the State of New York or the jurisdiction in which the Parent's principal office is located, the time period shall automatically be extended to the Business Day immediately following such Saturday, Sunday or legal holiday.

Section 3.06 Successors and Assigns. Subject to Section 2.13, this Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective successors and assigns (including any trustee in bankruptcy). No assignment or delegation of any of the Parent's rights, interests or obligations under Article II shall be effective against any Holder without the prior written consent of the Investors.

Section 3.07 Execution and Counterparts. This Agreement may be executed in two or more counterparts, all of which when taken together shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to each other party, it being understood that the parties need not sign the same counterpart. In the event that any signature is delivered by facsimile transmission or by e-mail delivery of a ".pdf" format data file, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or .pdf signature page were an original thereof.

Section 3.08 Governing Law.

(a) This Agreement and all matters, claims or Proceedings (whether at law, in equity, in Contract, in tort or otherwise) based upon, arising out of or relating to this Agreement or the negotiation, execution or performance of this Agreement, shall be interpreted and enforced in accordance with, and the respective rights and obligations of the parties shall be governed by, the laws of the State of Delaware applicable to contracts executed in and to be performed entirely within that State, regardless of the laws that might otherwise govern under any applicable conflict of laws principles.

(b) All Proceedings arising out of or relating to this Agreement shall be heard and determined in the Chancery Court of the State of Delaware (or, if the Chancery Court of the State of Delaware declines to accept jurisdiction over any Proceeding, any state or federal court within the State of Delaware) and appellate courts therefrom and the parties hereto hereby irrevocably submit to the exclusive jurisdiction and venue of such courts in any such Proceeding and irrevocably waive the defense of an inconvenient forum or lack of jurisdiction to the maintenance of any such Proceeding. The consents to jurisdiction and venue set forth in this Section 3.08(b) shall not constitute general consents to service of process in the State of Delaware, shall have no effect for any purpose except as provided in this Section 3.08(b) and shall not be deemed to confer rights on any Person other than the parties hereto. Each party hereto agrees that service of process upon such party in any Proceeding arising out of or relating to this Agreement shall be effective if notice is given by overnight courier, with a copy by e-mail, at the address set forth in Section 3.05 of this Agreement. The parties hereto agree that a final judgment in any such Proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by applicable Law; provided that, nothing in the foregoing shall restrict any party's rights to seek any post-judgment relief regarding, or any appeal from, a final trial court judgment.

Section 3.09 Waiver of Jury Trial.

(a) EACH OF THE PARTIES HERETO ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE IT HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT IT MAY HAVE TO TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (A) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF ACTION, SEEK TO ENFORCE THE FOREGOING WAIVER, (B) IT UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF SUCH WAIVER, (C) IT MAKES SUCH WAIVER VOLUNTARILY AND (D) IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVER AND CERTIFICATIONS IN THIS SECTION 3.09(a)

(b) To the extent that any party has or hereafter may acquire any immunity from jurisdiction of any court or from any legal process (whether through service or notice, attachment prior to judgment, attachment in aid of execution, execution or otherwise) with respect to itself or its property, each such party hereby irrevocably waives such immunity in respect of its obligations with respect to this Agreement; provided, however, that this provision does not, and shall not be deemed to, modify the exclusive jurisdiction provisions in Section 3.08.

Section 3.10 Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, illegal, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions set forth herein shall remain in full force and effect and shall in no way be affected, impaired or invalidated, and the parties hereto shall use their commercially reasonable efforts to find and employ an alternative means to achieve the same or substantially the same result as that contemplated by such term, provision, covenant or restriction. It is hereby stipulated and declared to be the intention of the parties that they would have executed the remaining terms, provisions, covenants and restrictions without including any of such that may be hereafter declared invalid, illegal, void or unenforceable.

Section 3.11 Descriptive Headings, Interpretation; No Strict Construction. The descriptive headings of this Agreement are inserted for convenience only and do not constitute a substantive part of this Agreement. Whenever required by the context, any pronoun used in this Agreement shall include the corresponding masculine, feminine or neuter forms, and the singular forms of nouns, pronouns, and verbs shall include the plural and vice versa. Reference to any agreement, document, or instrument means such agreement, document, or instrument as amended or otherwise modified from time to time in accordance with the terms thereof, and, if applicable, hereof. The words “include”, “includes” or “including” in this Agreement shall be deemed to be followed by “without limitation”. The use of the words “or,” “either” or “any” shall not be exclusive. The parties hereto have participated jointly in the negotiation and drafting of this Agreement. If an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties hereto, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement. All references to laws, rules, regulations and forms in this Agreement shall be deemed to be references to such laws, rules, regulations and forms, as amended from time to time or, to the extent replaced, the comparable successor thereto in effect at the time. All references to agencies, self-regulatory organizations or governmental entities in this Agreement shall be deemed to be references to the comparable successors thereto from time to time.

Section 3.12 Entire Agreement. This Agreement and any certificates, documents, instruments and writings that are delivered pursuant hereto constitute the entire agreement and understanding of the parties hereto in respect of the subject matter hereof and supersedes all prior understandings, agreements or representations by or among the parties hereto, written or oral, to the extent they relate in any way to the subject matter hereof.

Section 3.13 Termination.

(a) The rights and obligations of the Parent and any Holder under Article II (other than those set forth in Section 2.07 (*Post-Offering Lock-Up*), which shall terminate at the expiration of the time periods set forth therein) shall terminate on the date such Holder no longer beneficially owns any Registrable Securities.

(b) The terms of this Article III shall not be terminable.

(c) Notwithstanding anything to the contrary in this Section 3.13, this Agreement (or any article or provision herein) may be terminated upon the mutual written consent of the parties hereto.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have executed this Investor and Registration Rights Agreement as of the date first written above.

PARENT:

THE REAL BROKERAGE INC.

By: *signed "Tamir Poleg"*
Name: Tamir Poleg
Title: Chief Executive Officer

INVESTORS:

INSIGHT PARTNERS XI, L.P.

By: Insight Associates XI, L.P., its general partner
By: Insight Associates XI, Ltd., its general partner

By: signed "Andrew Prodromos"
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS (CAYMAN) XI, L.P.

By: Insight Associates XI, L.P., its general partner
By: Insight Associates XI, Ltd., its general partner

By: signed "Andrew Prodromos"
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS XI (CO-INVESTORS), L.P.

By: Insight Associates XI, L.P., its general partner
By: Insight Associates XI, Ltd., its general partner

By: signed "Andrew Prodromos"
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS XI (CO-INVESTORS) (B), L.P.

By: Insight Associates XI, L.P., its general partner
By: Insight Associates XI, Ltd., its general partner

By: signed "Andrew Prodromos"
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS (DELAWARE) XI, L.P.

By: Insight Associates XI, L.P., its general partner
By: Insight Associates XI, Ltd., its general partner

By: signed "Andrew Prodromos"
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS (EU) XI, S.C.Sp.

By: Insight Associates (EU) XI, S.a.r.l., its general partner

By: signed "Andrew Prodromos"
Name: Andrew Prodromos
Title: Authorized Officer

Execution Version

AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT

OF

REAL PIPE, LLC

a Delaware Limited Liability Company

Dated as of December 2, 2020

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This **AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT** (this "**Agreement**") of Real PIPE, LLC (the "**Company**") is made and entered into on December 2, 2020 (the "**Effective Date**"), by and among The Real Brokerage Inc. ("**Parent**") and each other Person listed as a Member on Schedule A attached hereto as of the date hereof and each Person subsequently admitted as a member of the Company in accordance with the terms hereof (collectively, the "**Members**").

RECITALS

WHEREAS, on November 6, 2020, the Company was formed by filing a Certificate of Formation with the Secretary of State of the State of Delaware in accordance with the provisions of the Delaware Limited Liability Company Act (the "**Act**");

WHEREAS, on November 6, 2020, the sole member of the Company entered into that certain Limited Liability Company Agreement (the "**Original Agreement**");

AND WHEREAS, pursuant to that certain Securities Subscription Agreement, dated as of December 2, 2020, by and among Parent, the Company and the Investor Members (the "**Purchase Agreement**"), on the Effective Date such Investor Members purchased certain Preferred Units of the Company;

AND WHEREAS, the Members have determined to amend and restate the Original Agreement to read in its entirety as set forth herein and agreed that the membership in and management of the Company shall be governed by the terms set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Members agree as follows:

ARTICLE I
DEFINITIONS

1.1 Definitions. As used herein, the following terms have the meanings set forth below:

"**Accounting Firm**" means Brightman Almagor Zohar & Co. or any qualified and independent accounting firm selected by the Board.

"**Act**" shall have the meaning set forth in the recitals hereto.

"**Affiliate**" shall mean, with respect to any specified Person, any other Person that directly or indirectly controls, is controlled by or is under common control with such specified Person. For the purposes of this definition, the term "**control,**" when used with respect to any specified Person, shall mean the power to direct or cause the direction of the management or policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "**controlling**" and "**controlled**" have correlative meanings. Notwithstanding anything to the contrary set forth in this Agreement, neither the Parent nor any of its Subsidiaries (including the Company or any Company Subsidiary) shall be deemed or treated as an Affiliate of any of the Investor Members.

"**Agreement**" shall have the meaning set forth in the preamble hereto.

"**Assignee**" shall mean a transferee of Units who has not been admitted as a Substitute Member.

"**Authorized Transfer**" shall have the meaning set forth in Section 9.1(c).

"**BBA Rules**" shall mean Subchapter C of Chapter 63 of the Code (Sections 6221 et seq.) as amended by the Bipartisan Budget Act of 2015, or successor provisions, and any Regulations and other guidance promulgated thereunder, and any similar state or local legislation, regulations or guidance.

"**Board**" shall have the meaning set forth in Section 4.1(a).

"**Business Day**" shall mean any day, other than: (a) a Saturday, Sunday or statutory holiday in the Province of Ontario or the State of New York; or (b) a day on which banks are generally closed in the Province of Ontario or the State of New York.

"**Capital Account**" shall have the meaning set forth in Section 5.4(a).

"**Capital Contribution**" shall mean any contribution (or deemed contribution) of cash or property to the Company made by or on behalf of a Member, as set forth from time to time in the books and records of the Company; provided that, as of the Effective Date, the Investor Members and the Parent Members shall be deemed to have made the Capital Contribution set forth opposite their respective names on Schedule A.

"**Certificate of Cancellation**" shall mean the certificate required to be filed with the Secretary of State of the State of Delaware pursuant to Section 18-203 of the Act in connection with a dissolution of the Company.

"**Certificate of Formation**" shall have the meaning set forth in Section 2.1.

"**Claim(s)**" shall have the meaning set forth in Section 12.2.

"**Code**" shall mean the U.S. Internal Revenue Code of 1986.

"**Common Units**" shall mean the Common Units of the Company, having the powers, preferences, rights, qualifications, limitations and restrictions set forth in Section 5.1.

"**Company**" shall have the meaning set forth in the preamble hereto.

"**Company Representative**" shall mean Parent, or such other Person designated by the Board in its capacity as the "**partnership representative**" (as such term is defined under the BBA Rules) of the Company and as the "**tax matters partner**" (to the extent applicable for state and local tax purposes) of the Company, including any "**designated individual**" through whom the Company Representative may act, if applicable.

"**Company Subsidiary**" shall mean any Subsidiary of the Company.

"**Competitive Opportunity**" shall have the meaning set forth in Section 3.5.

"**Covered Person**" shall have the meaning set forth in Section 12.1.

"**Director**" shall have the meaning set forth in Section 4.1(a).

"**Disabling Conduct**" shall have the meaning set forth in Section 12.1.

"**Distribution**" shall mean a transfer of cash or property by the Company to a Member on account of Units as described in Article VI, Article VII or Article XI.

"**Effective Date**" shall have the meaning set forth in the preamble hereto.

"**Entity Taxes**" shall mean any U.S. federal, state, local and other taxes imposed on or payable by the Company under the BBA Rules, any Withholding Taxes, and any other amount that the Company or any other Person in which the Company holds an interest is obligated to pay to a taxing authority because of a Member's status or otherwise specifically attributable to a Member (in each case, including any interest, fines, assessments, penalties or additions to tax imposed in connection therewith or with respect thereto).

"**ERISA**" shall mean the Employee Retirement Income Security Act of 1974.

"**Event of Dissolution**" shall have the meaning set forth in Section 10.1.

"**Exchange Act**" shall mean the Securities Exchange Act of 1934, as amended.

"**Exchange Agreement**" shall mean the exchange and support agreement dated as of the date hereof entered into by and among the Company, the Parent and the Investor Members named therein, as amended, supplemented, restated, exchanged or replaced from time to time.

"**Fiscal Year**" shall have the meaning set forth in Section 8.4.

"**Governmental Authority**" shall mean any domestic or foreign federal, provincial, regional, state, municipal, local or other government, governmental department, agency, arbitrator, authority or body (whether administrative, legislative, executive or otherwise), court, tribunal, commission or commissioner, bureau, minister or ministry, board or agency, taxing or other regulatory or self-regulatory authority, including any securities regulatory authorities and stock exchange (including the TSXV).

"**Guarantee Agreement**" shall mean the subordinated guarantee agreement dated as of the date hereof entered into between the Parent and the Investor Members named therein, as amended, supplemented, restated, exchanged or replaced from time to time.

"**Holder**" means a holder of record of a Preferred Unit, and "**Holders**" shall mean all holders of Preferred Units;

"**IFRS**" means the International Financial Reporting Standards as adopted by the International Accounting Standards Board, at the relevant time, applied on a consistent basis;

"**Indebtedness**" of a Person, at a particular date, shall mean the sum (without duplication) at such date of (a) all amounts for borrowed money, in each case excluding any intercompany borrowings and indebtedness; (b) obligations evidenced by bonds, debentures, notes, or other similar instruments; (c) obligations for the deferred purchase price of property or services (excluding trade obligations); (d) obligations under letters of credit; (e) obligations secured by Liens on such Person's assets, whether or not the obligations have been assumed; (f) all net obligations of such Person under interest rate, commodity, foreign currency and financial markets swaps, options, futures and other hedging obligations; and (g) guarantees of any of the foregoing.

"**Investor Members**" shall mean (a) Insight Partners XI, L.P, Insight Partners (Cayman) XI, L.P., Insight Partners (Delaware) XI, L.P., Insight XI (Co-Investors), L.P., Insight Partners XI (B), L.P., and Insight Partners (EU) XI, S.C.Sp., (b) any Affiliate of the foregoing Persons that, after the Effective Date, acquires Preferred Units and (c) any transferee of the foregoing Persons to whom Preferred Units are distributed or transferred in accordance with Article IX.

"**Investor Related Parties**" shall have the meaning set forth in Section 14.14.

"**Investor Rights Agreement**" means the investor rights agreement dated as of the date hereof entered into among the Parent, the Company and the Investor Members named therein, as amended, supplemented, restated, exchanged or replaced from time to time.

"**IRS**" shall mean the U.S. Internal Revenue Service.

"**Law**" shall mean any and all federal, state, provincial, regional, national, foreign, local, municipal or other laws, statutes, acts, treaties, constitutions, principles of common law, resolutions, ordinances, proclamations, directives, codes, edicts, orders, rules, regulations, rulings or requirements or other legally binding directives or guidance issued, enacted, adopted, promulgated, implemented or otherwise put into effect by or under the authority of any Governmental Authority and includes securities laws.

"**Lien**" shall mean any mortgage, deed of trust, pledge, hypothecation, assignment, encumbrance, lien (statutory or other) or preference, priority, right or other security interest or preferential arrangement of any kind or nature whatsoever.

"**Liquidation**" shall mean, in respect of an entity, a liquidation, winding up or dissolution of such entity.

"**Majority Interest**" shall mean, as of any date, an aggregate Voting Percentage equal to more than 50% on such date.

"**Members**" shall have the meaning set forth in the preamble hereto.

"**Parent Members**" shall mean (a) Parent and (b) any Permitted Transferee of Parent to whom Common Units are distributed or transferred in accordance with Article IX.

"**Parent Related Party**" shall mean any Parent Member and any of their respective Affiliates.

"**Percentage Interest**" shall mean, as of any date of determination in respect of Common Units or Preferred Units, respectively, the percentage determined by dividing (x) the number of Common Units or Preferred Units held by such Member as of such date by (y) the aggregate number of Common Units or Preferred Units held by all Members as of such date, respectively.

"**Permitted Transferee**" shall mean, with respect to any Member, any of their respective Affiliates (including any partner, shareholder, member, or Affiliated investment fund or vehicle of such Member).

"**Person**" shall mean any individual, corporation, general partnership, limited partnership, limited liability partnership, joint venture, association, trust, limited liability company, unincorporated organization or government or any agency or political subdivision thereof.

"**Preferred Units**" shall mean the Preferred Units of the Company having the powers, preferences, rights, qualifications, limitations and restrictions set forth in Article VI.

"**Purchase Agreement**" shall have the meaning set forth in the recitals hereto.

"**Real Common Shares**" shall mean the common shares in the share capital of Parent.

"**Reconvened Meeting**" shall have the meaning set forth in Section 4.2(b).

"**Registration Rights Agreement**" shall mean that certain registration rights agreement by and among Parent and the Investor Members, dated as of the date hereof.

"**Regulations**" shall mean the U.S. Treasury Regulations.

"**Regulatory Allocations**" shall have the meaning set forth in Section 7.2(a).

"**Securities Act**" shall mean the Securities Act of 1933, as amended.

"**Subsidiary**" shall mean, as to any Person, any corporation or other entity of which: (a) such Person or a Subsidiary of such Person is a general partner or, in the case of a limited liability company, the managing member or manager thereof; (b) at least a majority of the outstanding equity interest having by the terms thereof ordinary voting power to elect a majority of the board of directors or similar governing body of such corporation or other entity (irrespective of whether or not at the time any equity interest of any other class or classes of such corporation or other entity shall have or might have voting power by reason of the happening of any contingency) is at the time directly or indirectly owned or controlled by such Person or one or more of its Subsidiaries; or (c) any corporation or other entity as to which such Person consolidates for accounting purposes.

"**Substitute Member**" shall mean an Assignee who has been admitted to all of the rights of membership.

"**Suspended Meeting**" shall have the meaning set forth in Section 4.2(b).

"**Tax Contest**" shall have the meaning set forth in Section 8.3(b).

"**Transaction Agreements**" means the Purchase Agreement, the Investor Rights Agreement, the Exchange Agreement, the Warrant Certificates, the Registration Rights Agreement and the Guarantee Agreement.

"**Transfer**" shall mean any direct, indirect or synthetic sale, assignment, transfer, grant of a participation in or reference under a derivatives contract, pledge, lease, hypothecation, mortgage, gift or creation of security interest, Lien or trust (voting or otherwise) or other encumbrance or other disposition of any Unit, whether in whole or in part (by operation of Law or otherwise) (but excluding (i) any direct or indirect Transfer of a partnership interest in a private equity or similar investment fund that, when aggregated with its parallel funds and alternative investment vehicles, is established to make investments in multiple portfolio companies and not primarily to invest in the Company and (ii) a pledge as collateral for a private equity or similar investment fund's bona fide revolving credit facility that is also secured by other investments of such fund).

"**UBTI**" shall mean "**unrelated business taxable income**" within the meaning of Section 512 and 514 of the Code.

"**Units**" shall have the meaning set forth in Section 5.1(a).

"**Voting Percentage**" shall mean, with respect to any Member holding Voting Units as of a specified date, the percentage determined by dividing (a) the aggregate number of Voting Units held by such Member as of such date, by (b) the aggregate number of issued and outstanding Voting Units as of such date.

"**Voting Unit**" shall mean any Common Unit, and for greater certainty, shall not include any Preferred Unit.

"**Warrant Certificates**" shall have the meaning ascribed to it in the Purchase Agreement.

"**Withholding Taxes**" shall have the meaning set forth in Section 7.5(a).

1.2 Interpretive Provisions. Unless the express context otherwise requires:

(a) the words "**hereof,**" "**herein**" and "**hereunder**" and words of similar import, when used in this Agreement, shall refer to this Agreement as a whole and not to any particular provision of this Agreement;

(b) terms defined in the singular shall have a comparable meaning when used in the plural, and vice versa;

(c) the terms "**Dollars**" and "**$**" mean, unless otherwise expressed, U.S. dollars and "**CAD**" means Canadian dollars;

(d) references herein to a specific Section, Subsection, Recital or Schedule shall refer, respectively, to Sections, Subsections, Recitals or Schedules of this Agreement;

(e) wherever the word "**include,**" "**includes**" or "**including**" is used in this Agreement, it shall be deemed to be followed by the words "**without limitation**";

(f) references herein to any gender shall include each other gender;

(g) references herein to any Person shall include such Person's heirs, executors, personal representatives, administrators, successors and assigns; provided, however, that nothing contained in this clause (g) is intended to authorize any assignment or transfer not otherwise permitted by this Agreement;

(h) references herein to a Person in a particular capacity or capacities shall exclude such Person in any other capacity;

(i) with respect to the determination of any period of time, the word "**from**" means "**from and including**" and the words "**to**" and "**until**" each means "**to but excluding**";

(j) references herein to any Law shall be deemed to refer to such Law, as the case may be, as amended, modified, codified, reenacted, supplemented or superseded in whole or in part and in effect from time to time, and also to all rules and regulations promulgated thereunder;

(k) the headings contained in this Agreement are intended solely for convenience and shall not affect the rights of the parties to this Agreement; and

(l) if the last day for the giving of any notice or the performance of any act required or permitted under this Agreement is a day that is not a Business Day, then the time for the giving of such notice or the performance of such action shall be extended to the next succeeding Business Day.

ARTICLE II
THE LIMITED LIABILITY COMPANY

2.1 Formation. The Company has been formed as a limited liability company pursuant to the provisions of the Act. A Certificate of Formation for the Company (the "**Certificate of Formation**") has been filed in the Office of the Secretary of State of the State of Delaware in

conformity with the Act. The Company and, if required, each of the Members shall execute or cause to be executed from time to time all other instruments, certificates, notices and documents and shall do or cause to be done all such acts and things (including keeping books and records and making publications or periodic filings) as may now or hereafter be required for the formation, valid existence and, when appropriate, termination of the Company as a limited liability company under the Laws of the State of Delaware and as may be necessary in order to protect the liability of the Members as members under the Laws of the State of Delaware.

2.2 Name. The name of the Company shall be "**REAL PIPE, LLC**", and its business shall be carried on in such name with such variations and changes as the Board shall determine or deem necessary to comply with requirements of the jurisdictions in which the Company's operations are conducted. The word "**LLC**" or similar words or letters shall be included in the Company's name where necessary for the purpose of complying with the laws of any jurisdiction that so requires.

2.3 Limited Business Purpose. The Company is formed for the limited purpose of issuing the Common Units and Preferred Units in accordance with this Agreement and for holding any assets or obligations related thereto. Neither the Company, nor any of the Company Subsidiaries, shall conduct, transact or otherwise be engaged in any other business or operations, employ any employees (provided that Directors or officers of the Company may be employees of Affiliates of the Company), or own any assets or have any liabilities unrelated to the Common Units and Preferred Units, whether known or unknown, liquidated or unliquidated, due or to become due and whether absolute, accrued, contingent or otherwise. For the avoidance of doubt, the Company shall not take any action that shall cause it to (i) be engaged "**trade or business within the United States**" for purposes of Sections 864(b), 872, 875, 882, 884 or 897 of the Code, (ii) realize any UBTI, or (iii) engage in any activities which constitute the conduct of "**commercial activity**" within the meaning of Section 892 of the Code.

2.4 Registered Office and Agent. The location of the registered office of the Company shall be c/o Saggio Management Group Inc., 102 Sleepy Hollow Drive, Suite 202, Middletown, Delaware 19709. The Board may establish additional places of business of the Company within and without the State of Delaware as and when required by the business of the Company, and in furtherance of its purposes set forth herein, and may appoint agents for service of process in any jurisdiction in which the Company shall conduct business.

2.5 Term. The term of the Company commenced on the date of filing of the Certificate of Formation in the Office of the Secretary of State of the State of Delaware and shall continue until the Company is dissolved pursuant to Article XI.

2.6 Company Powers. In furtherance of the business purpose specified in Section 2.3, but subject to the limitations thereof and to any consent rights of any Members set forth in this Agreement, the Company and the Board, acting on behalf of the Company, shall be empowered to do or cause to be done any and all acts deemed by the Board to be necessary or advisable in furtherance of the business purpose of the Company, including the power and authority:

(a) to acquire, hold, manage, own, sell, transfer, convey, assign, exchange, pledge or otherwise dispose of the Company's interest in property held by the Company;

(b) to establish, have, maintain or close one or more offices within or without the State of Delaware and in connection therewith to rent or acquire office space and to engage personnel;

(c) to open, maintain and close bank accounts, including the power to draw checks or other orders for the payment of moneys, and to invest such funds as are temporarily not otherwise required for Company purposes;

(d) to bring and defend actions and proceedings at Law or in equity or before any Governmental Authority;

(e) to hire consultants, custodians, attorneys, accountants and such other agents and officers of the Company as it may deem necessary or advisable, and to authorize each such agent to act for and on behalf of the Company;

(f) to make all elections, investigations, evaluations and decisions, binding the Company thereby, that may, in the judgment of the Board, be necessary or appropriate for the accomplishment of the Company's business purposes;

(g) to enter into, perform and carry out contracts and agreements of every kind necessary or incidental to the accomplishment of the Company's business purpose, and to take or omit to take such other action in connection with the business of the Company as may be necessary or desirable to further the business purpose of the Company; and

(h) to carry on any other activities necessary to, in connection with, or incidental to any of the foregoing or the Company's business.

2.7 Business Transactions of a Member with the Company. Subject to Section 6.3, a Member may transact business with the Company and, subject to applicable Law, shall have the same rights and obligations with respect to any such matter as a Person who is not a Member or a Director.

2.8 Title to Company Property. Legal title to all property of the Company shall be held and vested and conveyed in the name of the Company, and no real or other property of the Company shall be deemed to be owned by any Member individually. The Units of the Members in the Company shall constitute personal property of the applicable Member.

2.9 Company Status. The Members intend that the Company shall not be a partnership (including a limited partnership) or joint venture, and that no Member shall be a partner or joint venturer of any other Member, for any purposes, and this Agreement shall not be construed to the contrary. Unless otherwise determined pursuant to an income tax audit by relevant tax authority, the Members intend that the Company shall be treated as a disregarded entity for U.S. federal and, if applicable, state or local income or franchise tax purposes, and the Company and each Member shall file all tax returns and shall otherwise take all tax, financial and other reporting positions in a manner consistent with such treatment.

ARTICLE III
THE MEMBERS

3.1 The Members.

(a) Member Information. The name, address, number and type of Units and Voting Percentage of each Member are set forth on Schedule A hereto, as such Schedule shall be amended from time to time pursuant to Section 5.1(f). Copies of any update to Schedule A shall be promptly given to any Investor Member; provided, that the Company shall be entitled to provide a copy of Schedule A to any Member upon such Member's reasonable request.

3.2 Member Meetings.

(a) Actions by the Members; Meetings. Subject to Section 6.3, the Members may vote, approve a matter or take any action by the vote of Members holding Voting Units entitled to vote at a meeting, in person or by proxy, or without a meeting by the written consent of Members pursuant to Section 3.2(b). Meetings of the Members may be called by Members holding a Majority Interest and shall be held upon not less than two (2) Business Days nor more than sixty (60) days' prior written notice of the time and place of such meeting delivered to each holder of Voting Units in the manner provided in Section 14.1. Notice of any meeting may be waived by any Member before or after any meeting. Meetings of the Members may be conducted in person or by conference telephone, videoconference or webcast facilities.

(b) Action by Written Consent. Any action may be taken by the Members without a meeting if authorized by the written consent of the Members holding Voting Units sufficient to approve such action pursuant to the terms of this Agreement. In no instance where action is authorized by written consent will a meeting of Members be required to be called or notice be required to be given; provided, however, that a copy of the action taken by written consent must be promptly sent to all Members holding Voting Units and filed with the records of the Company.

(c) Quorum; Voting. For any meeting of Members, the presence in person or by proxy of Members owning Voting Units representing at least a Majority Interest shall constitute a quorum for the transaction of any business. On all matters submitted to a vote or written consent of the Members, the Members holding Voting Units shall be entitled to vote on such matter, together as one class. Except as otherwise provided in this Agreement including Section 6.3(b), the affirmative vote of Members owning Voting Units representing at least a Majority Interest shall constitute approval of any action.

3.3 Liability of Members. All debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Company, and no Member shall be obligated personally for any such debt, obligation or liability of the Company solely by reason of being a Member.

3.4 Power to Bind the Company. No Member (acting in its capacity as such) shall have any authority to bind the Company to any third party with respect to any matter except pursuant to a resolution expressly authorizing such action, which resolution is duly adopted by the Board by the affirmative vote or written consent required for such matter pursuant to this Agreement or the Act.

3.5 Competitive Opportunities.

(a) To the fullest extent permitted by applicable Law, the doctrine of corporate opportunity, or any analogous doctrine, shall not apply to (a) any Member, (b) any of their respective Affiliates (including their respective investors and equityholders, and any associated Persons or investment funds or any of their respective portfolio companies or investments), or (c) any of the respective officers, managers, directors, agents, shareholders, members, and partners of any of the foregoing, including any such Person acting as a director of the Parent at the request of such Member (each, a "**Business Opportunities Exempt Party**"). The Company and each of the Members, on its own behalf and on behalf of their respective Affiliates and equityholders, hereby renounces any interest or expectancy of the Company in, or in being offered an opportunity to participate in, business opportunities that are from time to time presented to any Business Opportunities Exempt Party and irrevocably waives any right to require any Business Opportunity Exempt Party to act in a manner inconsistent with the provisions of this Section 3.5. No Business Opportunities Exempt Party who acquires knowledge of a potential transaction, agreement, arrangement or other matter that may be an opportunity for the Parent, the Company or any of their respective Subsidiaries, Affiliates or equityholders shall have any duty to communicate or offer such opportunity to the Company and none of the Parent, the Company or any of their respective Subsidiaries, Affiliates or equityholders will acquire or be entitled to any interest or participation in any such transaction, agreement, arrangement or other matter or opportunity as a result of participation therein by a Business Opportunity Exempt Party. This Section 3.5 shall not apply to, and no interest or expectancy of the Company is renounced with respect to, any opportunity offered to any director of the Parent if such opportunity is expressly offered or presented to, or acquired or developed by, such Person solely in his or her capacity as a director or officer of the Parent.

(b) In furtherance of the foregoing, to the fullest extent permitted by applicable Law, neither the Investor Members nor any of their respective Affiliates (or partner, officer, employee, investor, or other representative of any of the foregoing Persons) shall be liable to the Parent, the Company or any other Person for any claim arising out of, or based upon, (i) the investment by the Investor Members or any of their respective Affiliates (or partner, officer, employee, investor, or other representative of any of the foregoing Persons) in any entity competitive with the Parent, the Company or any of their respective Subsidiaries, or (ii) actions taken by any partner, officer, employee or other representative of the Investor Members or any of their respective Affiliates to assist any such competitive company, whether or not such action was taken as a member of the board of directors of such competitive company or otherwise, and whether or not such action has a detrimental effect on the Parent, the Company or its Subsidiaries.

(c) No amendment or repeal of this Section 3.4 shall apply to or have any effect on the liability or alleged liability of any Business Opportunities Exempt Party or any Person described in Section 3.4 for or with respect to any opportunities of which any such Person becomes aware prior to such amendment or repeal. Any Person purchasing or otherwise acquiring any interest in any Units shall be deemed to have notice of and consented to the provisions of this Section 3.5. Neither the amendment or repeal of this Section 3.5, nor the adoption of any provision of this LLC Agreement inconsistent with this Section 3.5, shall eliminate or reduce the effect of this Section 3.5 in respect of any business opportunity first identified or any other matter occurring, or any cause of action that, but for this Section 3.5, would accrue or arise, prior to such amendment, repeal or adoption. No action or inaction taken by any Business Opportunities Exempt Party or any Person described in Section 3.5(b) in a manner consistent with this Section 3.5 shall be deemed to be a violation of any fiduciary or other duty owed to any Person.

ARTICLE IV
THE BOARD AND OFFICERS

4.1 Management by the Board of Directors.

(a) General. Subject to such matters that are expressly reserved hereunder to any Members for decision, the business and affairs of the Company shall be managed by a board of directors (the "**Board**"), which shall be responsible for policy setting, approving the overall direction of the Company and making all decisions regarding the business and affairs of the Company. It is the intent of the parties hereto that each director ("**Director**") of the Company shall be deemed to be a "**manager**" of the Company (as defined in Section 18- 101(10) of the Act) for all purposes under the Act. The Board shall consist of such number of Directors as determined in accordance with Section 4.1(b).

(b) Board Designation Rights. The Board shall consist of one (1) Director who shall be appointed by the Parent Members; provided, that the Director shall at all timed be a U.S resident.

(c) Initial Directors. The initial Directors of the Company, including the Chairman of the Board, are set forth on Schedule B hereto.

(d) Removal. Only the Member(s) entitled to designate a specific Director may remove such Director, at any time and from time to time, with or without cause (subject to applicable Law), in such Member(s)' sole discretion, and such Member(s) shall give written notice of such removal to the Board.

(e) Resignation. Any Director may resign at any time by giving written notice to the Board. The resignation of any Director shall take effect upon receipt of notice thereof or at such later time as shall be specified in such notice; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

(f) Vacancies. If at any time a vacancy is created on the Board by reason of the death, removal or resignation of any Director, a designee shall be appointed to fill such vacancy or vacancies by the Member(s) entitled to appoint such Director pursuant to Section 4.1(b).

4.2 Meetings of the Board.

(a) Frequency. The Board shall meet at such times and at such places (outside Canada) as may be necessary for the Company's business as determined by the Board pursuant to Section 4.2(c).

(b) Quorum. The presence at the meeting of all of the Directors then in office shall constitute a quorum at any meeting of the Board or any committee thereof. If a quorum is not present at a meeting that has been duly called pursuant to Section 4.2(c) (a "**Suspended Meeting**"), any Director present at such meeting may adjourn the meeting and give written notice to the other Directors at his or her address (which may include his or her email address) of the time and place at which such meeting shall be reconvened (a "**Reconvened Meeting**"), which notice shall include a copy of the agenda with respect to such Suspended Meeting. The only business that may be conducted at such Reconvened Meeting is the business specifically set forth in the original agenda for the Suspended Meeting.

(c) Notice; Waiver of Notice. Meetings of the Board or any committee thereof may be called for by the Chairman of the Board or any other Director. Notice of any special meeting of the Board or any committee thereof shall be given at least twenty-four (24) hours prior to any meeting by written notice to each Director at his or her address (which may include his or her email address) including the time and place of such meeting. Notice of any Board or committee meeting may be waived by any Director before but not after such meeting.

(d) Required Vote. Each Director shall receive one (1) vote on all matters that are subject to approval of the Board or any committee thereof. All actions of the Board or any committee thereof shall require the affirmative vote of a majority of votes cast by all the Directors present at a meeting at which there is a quorum. Any reference in this Agreement to the affirmative vote of a majority of the Directors shall be deemed to mean a majority of the votes cast by all Directors present at a meeting at which there is a quorum.

(e) Electronic Meetings. Meetings of the Board or any committee thereof may be conducted in person or by conference telephone, videoconference or other electronic communication facilities and each Director shall be entitled to participate in any meeting of the Board or committee thereof (whether or not conducted in person) by telephone, videoconference or electronic communication facilities; provided that all Directors are not present in Canada at the time of the meeting.

(f) Action by Written Consent. Any action required or permitted to be taken at any meeting of the Board or any committee thereof may be taken without a meeting if all the Directors entitled to vote thereon consent thereto in writing; provided that all Directors shall not be present in Canada at the time such consent is executed; provided, further that any written consent for the sole purpose of approving Distributions on the Preferred Units shall only require the consent of a majority of the Directors then in office. In no instance where action is authorized by written consent will a meeting of the Board or any committee thereof be required to be called or notice be required to be given. A copy of any action taken by written consent of the Board must be sent to all Directors who did not execute such consent within two (2) Business Days of the execution thereof and filed with the records of the Company.

(g) Compensation; Reimbursement. Except as otherwise determined by the Board, Directors shall not receive any stated salary from the Company or any Company Subsidiary for services in their capacities as Directors; provided that nothing contained herein shall be construed to preclude any Director from serving the Parent Members in any other capacity and receiving compensation therefor. The Company or a Company Subsidiary shall reimburse each Director for the reasonable travel and accommodation costs incurred by such Director to attend meetings of the Board or any committee thereof.

4.3 Power to Bind Company. No Director (acting in his or her capacity as such) shall have any authority to bind the Company to any third party with respect to any matter except pursuant to a resolution expressly authorizing such action, which resolution is duly adopted by the Board by the affirmative vote or written consent required for such matter pursuant to this Agreement.

4.4 Officers and Related Persons. Subject in each case to the consent rights of any Members under this Agreement:

(a) Authority. The Board shall have the authority to appoint and terminate officers of the Company, and the Board shall take all necessary actions to cause such appointment or termination of such officers. The Board shall have the authority to retain and terminate agents and consultants of the Company and to delegate such duties to any such officers, agents and consultants as the Board deems appropriate, including the power, acting individually or jointly, to represent and bind the Company in all matters, in accordance with the scope of their respective duties.

(b) General. The officers of the Company shall be chosen by the Board or a duly authorized committee thereof. The Board or a duly authorized committee thereof may, as it deems appropriate, choose a Chairman, a Chief Executive Officer, a President, a Chief Financial Officer, a Chief Operating Officer, a Treasurer, a Secretary, and one or more Vice Presidents (and, in the case of each Vice President, with such descriptive title, if any, as the Board or a duly authorized committee thereof shall determine), Assistant Secretaries, Assistant Treasurers and other officers. Any number of offices may be held by the same person, unless otherwise prohibited by Law. The officers of the Company need not be Members or Directors of the Company.

(c) Election. The Board or a duly authorized committee thereof shall elect the officers of the Company. The officers of the Company and the offices they hold as of the date hereof shall be as set forth on Schedule B hereto. The officers of the Company shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board or a duly authorized committee thereof; and all officers of the Company shall hold office until their successors are chosen, or until their earlier death, disability, resignation or removal. Any officer elected by the Board or a duly authorized committee thereof may be removed at any time, with or without cause, by the affirmative vote of the Board or a duly authorized committee thereof. Any vacancy occurring in any office of the Company shall be filled by the Board or a duly authorized committee thereof. No officers of the Company shall receive any stated salary from the Company or any Company Subsidiary for services in their capacity as an officer of the Company. The Board or a duly authorized committee thereof may delegate such duties to any such officers, agents and consultants of the Company as the Board or a duly authorized committee thereof deems appropriate, including the power, acting individually or jointly, to represent and bind the Company in all matters, in accordance with the scope of their respective duties.

4.5 Committees. The Board may designate one (1) or more committees, with each committee to consist of one or more of the Directors. The Board may designate one (1) or more Directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of any such committee. Any committee, to the extent permitted by Law and provided in the resolution establishing such committee, shall have and may exercise all the powers and authority of the Board in the management of the business and affairs of the Company. Each committee shall keep regular minutes and report to the Board when required.

4.6 Reliance by Third Parties. Persons dealing with the Company are entitled to rely conclusively upon the power and authority of the Board.

4.7 Waiver of Fiduciary Duties. Subject to compliance with the express terms of this Agreement, the Members expressly intend, acknowledge and agree that, to the fullest extent permitted by applicable Law, neither any Member nor any Director is under any obligation to consider the separate interests of the Company, any Company Subsidiary, the Members or any other Person in deciding whether to take or approve (or decline to take or approve) any actions. In furtherance of the foregoing, notwithstanding anything to the contrary in this Agreement, to the fullest extent permitted by applicable Law, no Member, Director or any of their respective Covered Persons, shall be subject to any fiduciary duties or similar duties, at law or in equity, to the Company, any Company Subsidiary, any Member, any Director or any other Person, provided that nothing contained in this Section 4.7 negates, modifies or otherwise affects any of the rights, obligations or duties of any officer (other than any officer that is a Director, who shall be subject to this proviso in his or her capacity as an officer but not in his or her capacity as a Director) of the Company or any Company Subsidiary; provided, however, nothing in this Section 4.7 shall eliminate the implied contractual covenant of good faith and fair dealing.

ARTICLE V
CAPITAL STRUCTURE AND CONTRIBUTIONS

5.1 Capital Structure.

(a) General. Subject to the terms of this Agreement, (i) the Company is authorized to issue equity interests in the Company designated as "**Units,**" which shall constitute limited liability company interests under the Act and shall include, initially, Common Units and Preferred Units, and (ii) subject to the consent rights of any Members under this Agreement, the Board or a duly authorized committee thereof is expressly authorized, by resolution or resolutions, to create and to issue, out of authorized but unissued Units, different classes, groups or series of Units and fix for each such class, group or series such voting powers, full or limited or no voting powers, and such distinctive designations, preferences and relative participating, optional or other special rights and qualifications, limitations or restrictions as determined by the Board or a duly authorized committee thereof. Subject to the consent rights of any Members under this Agreement, the Board, or a duly authorized committee thereof, shall have the authority to issue such number of Units of any class, series or tranche pursuant to clauses (i) and (ii) of the immediately preceding sentence as the Board or such committee shall from time to time determine.

(b) Common Units. The Common Units shall have such rights to allocations and Distributions as may be authorized and set forth under this Agreement. The relative rights, powers, preferences, duties, liabilities and obligations of holders of the Common Units shall be as set forth herein. Each holder of Common Units shall be entitled to vote, in person or by proxy, on a pro rata basis in accordance with the Voting Percentage for each Member as of the applicable date and time on all matters upon which Members have the right to vote as set forth in this Agreement and provided under the Act.

(c) Preferred Units. The Preferred Units shall have such rights to allocations and Distributions as may be authorized and set forth under this Agreement. The relative rights, preferences, powers, privileges and restrictions, qualifications and limitations of the Preferred Units shall be as set forth in Article VI herein. No Holder shall have any rights to notice of, to attend at or to vote at any meetings or in respect of matters upon which Members have the right to vote as set forth in this Agreement and provided under the Act, except as expressly set forth herein or as otherwise from time to time required under the Act. The Preferred Units shall, with respect to the distribution of assets and rights upon a Liquidation, distribution and dividend rights, redemption rights and all other rights and preferences, rank senior to the Common Units as set forth in this Agreement.

(d) Issuance of Additional Units. Subject to the consent rights of any Members under this Agreement, the Company is authorized to issue Units to any Person at such prices per Unit as may be determined by the Board or a duly authorized committee thereof and in exchange for contributions of cash or property, the provision of services or such other consideration as may be determined by the Board or a duly authorized committee thereof. The number of Units held by each Member shall not be affected by any issuance by the Company of Units to other Members.

(e) No Certificates. The Units shall be uncertificated and recorded in the books and records of the Company.

(f) Unit Schedule. The number and type of Units issued to Members shall be listed on Schedule A hereto, which shall be amended from time to time by the Board or any officer of the Company as required to reflect issuances of Units, the admission of any Substitute Members, the acquisition of additional Units by any Member, the Transfer of Units, the redemption, repurchase or forfeiture of Units and the cessation or withdrawal of Members, each as permitted or required by the terms of this Agreement.

5.2 No Withdrawal of Capital Contributions. Except upon a Liquidation of the Company effected in accordance with Article XI and Article XII, no Member shall have the right to withdraw its Capital Contributions from the Company.

5.3 No Additional Capital Contributions. No Member shall be obligated to make any additional Capital Contributions or provide any additional funding to the Company (whether in the form of loans, repayments of loans or otherwise). Except with the approval of the Board, no Member shall be permitted to make any additional Capital Contribution to the Company.

5.4 Maintenance of Capital Accounts.

(a) The Company shall be treated as a disregarded entity for U.S. federal, state and local tax purposes. In the event the Company is instead treated as a partnership for U.S. federal, state or local tax purposes, the Company shall establish and maintain a capital account ("**Capital Account**") for each Member in accordance with the following provisions:

(i) to each Member's Capital Account there shall be credited (x) such Member's contributions of cash and the fair market value of any property, (y) such Member's distributive share of items of income or gain which are specifically allocated to such Member and (z) the amount of any Company liabilities assumed by such Member or which are secured by any property distributed to such Member that such Member is considered to assume or take subject to; and

(ii) to each Member's Capital Account there shall be debited (x) the amount of money and the fair market value of any property distributed to such Member pursuant to any provision of this Agreement, (y) such Member's distributive share of items of expense or loss which are specifically allocated to such Member and (z) the amount of any liabilities of such Member assumed by the Company or which are secured by any property contributed by such Member to the Company that the Company is considered to assume or take subject to.

(b) In the event the Company is instead treated as a partnership for U.S. federal, state or local tax purposes, this Section 5.4 and other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with the Regulations promulgated under Code Section 704(b), including Regulations Section 1.704-1(b)(2)(iv), and shall be interpreted and applied in a manner consistent with such Regulations. In determining the amount of any liability for purposes of calculating Capital Accounts, there shall be taken into account Section 752(c) of the Code and any other applicable provisions of the Code and Regulations. The Members' Capital Accounts will normally be adjusted on an annual or other periodic basis as determined by the Board, but the Capital Accounts may be adjusted more often if a new Member is admitted to the Company or if circumstances otherwise make it advisable in the judgment of the Board. If any Unit or other interest in the Company (or portion thereof) is transferred in accordance with the terms of this Agreement, the transferee shall succeed to the Capital Account of the transferor to the extent such Capital Account is attributable to such transferred Unit or other interest in the Company (or portion thereof).

ARTICLE VI
PREFERRED UNIT TERMS

Preferred Units shall be authorized for issuance with the following rights, preferences, powers, privileges and restrictions, qualifications and limitations.

6.1 Definitions

In this Article VI and elsewhere in this Agreement, the following terms shall have the following meanings:

(a) "**acting jointly or in concert**" shall have the meaning given to it in section 1.9 of NI 62- 104.

(b) "**Bankruptcy Proceeding**" shall mean, with respect to any Person:

(i) an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, reorganization or other relief in respect of such Person or its debts, or of a substantial part of its assets, under any federal, state or foreign bankruptcy, insolvency, receivership or similar Law now or hereafter in effect or (ii) the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for such Person or any of its Subsidiaries or for a substantial part of its assets, and, in any such case, such proceeding or petition shall continue undismissed for sixty (60) days or an order or decree approving or ordering any of the foregoing shall be entered; or

(ii) such Person or any of its Subsidiaries shall (i) voluntarily commence any proceeding or file any petition seeking liquidation, reorganization or other relief under any federal, state or foreign bankruptcy, insolvency, receivership or similar Law now or hereafter in effect, (ii) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition described in clause (a) of this definition, (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for such Person or any of its Subsidiaries or for a substantial part of its assets, (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (v) make a general assignment for the benefit of creditors or (vi) take any action for the purpose of effecting any of the foregoing.

(c) "**beneficial ownership**", "**beneficial owner**" and "**beneficially owned**" shall have the meaning given in section 1.8 of NI 62-104.

(d) "**Capital Reorganization**" shall have the meaning set forth in Section 6.5(f)(iv).

(e) "**CDS**" shall mean CDS Clearing and Depository Services Inc. or its successor or any other depository at such time in respect of the Real Common Shares.

(f) "**Change of Control**" shall mean the occurrence of any of the following:

(i) the direct or indirect sale, lease, transfer, conveyance or other disposition, in one or a series of related transactions, of all or substantially all of the properties or assets of Parent and its Subsidiaries, taken as a whole, to any Person (other than to Parent or to any wholly-owned Subsidiary of Parent), or (ii) a plan or scheme of arrangement, merger, amalgamation, consolidation, share sale or other transaction or series of related transactions, in which all or substantially all of the Real Common Shares are exchanged for, converted into, acquired for, or constitute solely the right to receive, other securities, cash or other property that would result in the Persons who beneficially own, directly or indirectly, 100% of the issued and outstanding Real Common Shares (including any Real Common Shares or other voting shares of Parent that would be beneficially owned by such Persons on an as-converted, as-exercised or as-exchanged basis) as of immediately prior to such transaction ceasing to beneficially own, directly or indirectly, at least a majority of the issued and outstanding Real Common Shares or outstanding common equity securities of the surviving entity (including any Real Common Shares, common equity securities or voting shares that would be beneficially owned by such Persons on an as-converted, as-exercised or as- exchanged basis) immediately following the completion of such transaction or series of related transactions; or

(ii) the consummation of any transaction or series of related transactions (including pursuant to a merger, amalgamation or consolidation), the result of which is that any Person, including any Persons acting jointly or in concert with such Person, becomes the beneficial owner, directly or indirectly, of shares of Parent's common equity representing more than 50% of the voting power of all of Parent's then- outstanding common equity (including any common equity beneficially owned by such Person on an as-converted, as- exercised or as-exchanged basis); provided that, for purposes of the foregoing sentence, "**beneficial ownership**" shall be calculated in accordance with NI 62-104.

(g) "**close of business**" shall mean 5:00 p.m. (Toronto time) on a Business Day.

(h) "**Closing Sale Price**" of Real Common Shares shall mean, as of any date, the closing sale price per share (or if no closing sale price is reported, the average of the closing bid and ask prices or, if more than one in either case, the average of the average closing bid and the average closing ask prices) on such date as reported on the Stock Exchange or, if Real Common Shares are not traded on a Stock Exchange, then an amount determined to be the fair market value of a Real Common Share by an Independent Financial Advisor retained by the Company for such purpose, acting reasonably. If Real Common Shares are traded on more than one Stock Exchange, the price information used to determine the Closing Sale Price shall be the price information in respect of the Stock Exchange on which the aggregate trading volume was the highest as of such date (converted, as applicable, to Canadian dollars at the FX Rate).

(i) "**Delivery Time**" shall have the meaning set forth in Section 6.5(d).

(j) "**Exchange Condition**" shall have the meaning set forth in Section 6.5(a).

(k) "**Exchange Date**" shall mean the Optional Exchange Date or the Forced Exchange Date, as applicable.

(l) "**Exchange Price**" shall mean with respect to each Preferred Unit, CAD $1.52, as may be adjusted from time to time in the manner set forth herein.

(m) "**Exchange Rate**" shall have the meaning set forth in Section 6.5(a).

(n) "**Ex-Date**" means the first date on which Real Common Shares trade on the applicable exchange or in the applicable market, regular way, without the right to receive the issuance, dividend or distribution in question, from Parent or, if applicable from the seller of Real Common Shares on such exchange or market (in the form of due bills or otherwise) as determined by such exchange or market.

(o) "**Forced Exchange**" shall have the meaning set forth in Section 6.5(c).

(p) "**Forced Exchange Date**" shall have the meaning set forth in Section 6.5(c).

(q) "**Forced Exchange Event**" shall have the meaning set forth in Section 6.5(c).

(r) "**Forced Exchange Notice**" shall have the meaning set forth in Section 6.5(c).

(s) "**Forced Exchange Notice Date**" shall have the meaning set forth in Section 6.5(c).

(t) "**FX Rate**" means the foreign exchange rate between the U.S. dollar and the Canadian dollar published by the Bank of Canada at approximately 4:30 p.m. Eastern Time on the Business Day immediately preceding the applicable date of redemption, payment or other determination, as applicable; provided, however, that if the foregoing exchange rate ceases to be published, then the exchange rate will be such replacement exchange rate as may be selected by the Board in good faith.

(u) "**Independent Financial Advisor**" shall mean an appraisal or investment banking firm of internationally recognized standing; provided, however, that such a firm shall not be an Affiliate of the Company and shall be reasonably acceptable to the Holders representing the Requisite Holder Consent outstanding at the time of engagement by the Company.

(v) "**Issue Date**" shall mean the original date of issuance of the Preferred Units.

(w) "**Junior Shares**" shall mean the Real Common Shares and each other equity security of Parent established after the Issue Date, the terms of which do not expressly provide that such class or series ranks senior to the Real Common Shares.

(x) "**Junior Units**" shall mean the Common Units and each other class of Units established after the Issue Date by the Board, the terms of which do not expressly provide that such class or series ranks senior to or on a parity with the Preferred Units as to distribution rights or rights upon a Liquidation of the Company.

(y) "**Liquidation Preference**" shall mean, with respect to each Preferred Unit, CAD $1.52 (as may be adjusted from time to time in the manner set forth herein), plus any declared and unpaid dividends, including the Distributions payable pursuant to Section 6.2.

(z) "**Market Disruption Event**" shall mean any suspension of, or limitation imposed on, trading of the Real Common Shares by any exchange or quotation system on which the Closing Sale Price is determined (the "**Relevant Exchange**") during the one-hour period prior to the close of trading for the regular trading session on the Relevant Exchange (or for purposes of determining the VWAP per Real Common Share, any period or periods aggregating one half-hour or longer during the regular trading session on the relevant day) and whether by reason of movements in price exceeding limits permitted by the Relevant Exchange as to securities generally, or otherwise relating to the Real Common Shares or options contracts relating to the Real Common Shares on the Relevant Exchange.

(aa) "**Market Capitalization**" shall mean the total dollar market value of the Parent's outstanding shares of stock, calculated by multiplying the total number of the Parent's outstanding shares on a fully diluted basis by the current market price of one share as of the day immediately prior to the date of determination.

(bb) "**NI 62-104**" shall mean National Instrument 62-104 *Take-Over Bids and Issuer Bids* implemented by the members of the Canadian Securities Administrators.

(cc) "**Officer**" shall mean any duly appointed officer of the Company.

(dd) "**opening of business**" shall mean 9:00 a.m. (Toronto time).

(ee) "**Optional Exchange Date**" shall have the meaning set forth in Section 6.5(a).

(ff) "**Optional Exchange Notice**" shall have the meaning set forth in Section 6.5(a).

(gg) "**Optional Exchange Notice Date**" shall have the meaning set forth in Section 6.5(a).

(hh) "**Parity Units**" shall mean any class of Units established after the Issue Date by the Board, the terms of which expressly provide that such class or series will rank on a parity with the Preferred Units as to distribution rights or rights upon a Liquidation of the Company.

(ii) "**Recipient**" shall have the meaning set forth in Section 6.5(d)(i).

(jj) "**Reference Property**" shall have the meaning set forth in Section 6.5(f)(iv).

(kk) "**Requisite Holder Consent**" shall mean, (a) so long as the Investor Members hold any Preferred Units, the vote or consent of Investor Members representing a majority of the Preferred Units owned by the Investor Members and (b) thereafter, the vote or consent of Holders representing a majority of the Preferred Units owned by the Holders.

(ll) "**Securities Representations**" shall mean, for a prospective exchange of Preferred Units for Real Common Shares by a Holder, a written representation by such Holder in favor of the Company and Parent (and enforceable by the Company or Parent against such Holder) that such Holder: (a) is resident in Canada at the time of the exchange and is not exercising the exchange by or on behalf of a U.S. Person; (b) is resident in a jurisdiction outside of Canada, is not exercising the exchange in the United States or by or on behalf of a U.S. Person and will acquire Real Common Shares pursuant to an exemption from any prospectus or securities registration or similar requirements under the applicable securities laws of such jurisdiction or any other securities laws to which such Holder is otherwise subject and such exchange would not result in any obligation of Parent or the Company to prepare and file a prospectus, an offering memorandum or similar document or any obligation of Parent or the Company to make any filings with or seek any approvals of any kind from any regulatory body in such jurisdiction or any other ongoing reporting requirements with respect to such exchange or otherwise; or (c) if in the United States, such Holder is, or if the exchange is being exercised on behalf of, a U.S. Person, then such U.S. Person is an "**accredited investor**" within the meaning of Rule 501(a) of Regulation D under the Securities Act or is otherwise permitted to acquire Real Common Shares pursuant to an available exemption from registration under the Securities Act and applicable state securities laws at the time of such exchange.

(mm) "**Senior Units**" shall mean each class of Units established after the Issue Date by the Board, the terms of which expressly provide that such class or series will rank senior to the Preferred Units as to distribution rights or rights upon a Liquidation of the Company.

(nn) "**Stock Exchange**" shall mean any Canadian or United States nationally recognized stock exchange on which the Parent has applied to list its Real Common Shares or any other securities.

(oo) "**Trading Day**" shall mean a Business Day during which trading in securities generally occurs on the Stock Exchange and on which there has not occurred a Market Disruption Event; provided that if Real Common Shares are not traded on any Stock Exchange, "**Trading Day**" shall mean a Business Day.

(pp) "**Trigger Event**" shall have the meaning set forth in Section 6.5(f)(vii).

(qq) "**TSXV**" shall mean the TSX Venture Exchange or any successor thereto.

(rr) "**U.S. Person**" means a U.S. person as defined in Rule 902(k) of Regulation S under the Securities Act.

(ss) "**VWAP**" shall mean, with respect to any period, the per share volume-weighted average trading price of Real Common Shares on the Stock Exchange in respect of the relevant period from the open of trading on the first Trading Day in such period until the close of business on the last Trading Day of such period, as converted into U.S. dollars at the applicable FX Rate on such applicable Trading Day; provided that if such volume-weighted average price is unavailable, the market price of one Real Common Share on such Trading Day determined, using a volume-weighted average method, by an Independent Financial Advisor retained for such purpose by the Company, acting reasonably.

6.2 Distributions

(a) [Intentionally Omitted].

(b) Any distributions pursuant to this Section 6.2 made in error or in violation of Section 18- 607 of the Act will, upon demand by the Board, be returned to the Company.

(c) [Intentionally Omitted].

(d) If the Parent declares and pays a dividend (or makes any other similar payment or distribution) to its shareholders, the Parent shall simultaneously therewith declare and pay, as applicable, to the Members holding Preferred Units the same dividend per Preferred Unit that such Person would receive is he, she or it were to exchange such Preferred Unit, in whole or in part, for Real Common Shares pursuant to Section 6.5 (it being understood and agreed that the applicable Member need not actually exchange any Preferred Unit, in whole or in part, for Real Common Shares in order to receive such dividend, payment or distribution). In furtherance of the foregoing, the Company, the Board and all of the Members shall execute such documents and instruments and take such action as may be reasonably required to carry out the right of the Members holding Preferred Units set forth in this Section 6.2(d).

6.3 Voting and Protective Provisions

(a) Holders shall not have any rights to notice of, to attend at or to vote at any meetings of the members of the Company (a "**Meeting**") except as set forth in this Section 6.3 or as otherwise from time to time required by applicable Law.

(b) So long as the Investor Members hold any Preferred Units, in addition to any other vote or consent of members required by applicable Law or otherwise set forth herein, the affirmative vote or consent of the Investor Members representing at least a majority of the Preferred Units held by the Investor Members, voting together as a separate class, given in person or by proxy, either in writing without a meeting or by vote at any meeting called for the purpose, shall be necessary for effecting or validating the actions set forth below, whether by amendment to this Agreement, by merger, consolidation or otherwise:

(i) any issuance, authorization or creation of, or any increase by the Company in the issued or authorized amount of, any (A) class or series of Parity Units or Senior Units (whether by reclassification of other Units into Parity Units or Senior Units, or otherwise), or (B) any equity or debt security that is convertible into, exercisable for, exchangeable for or representing the right to purchase any class or series of Parity Units or Senior Units;

(ii) (A) any issuance or any increase in the number of issued or authorized Preferred Units or any reissuance thereof (whether by reclassification of other Units into Preferred Units, or otherwise) or (B) any issuance of any equity or debt security that is convertible into, exercisable for, exchangeable for or representing the right to purchase any Preferred Units;

(iii) any exchange, reclassification or cancellation of the Preferred Units, other than as provided in this Article VI;

(iv) any amendment, modification, alteration or repeal of, or supplement to (A) the Certificate of Formation or this Agreement that would adversely affect any rights, preferences, privileges or powers of the Preferred Units or any Holder, and (B) in any event, Sections 2.3, 2.5, 2.6, 2.7, 2.9, 3.3, 3.5, 5.3, 5.4, 14.14, or 14.18 or Article IV, Article VI, Article VII, Article VIII, Article IX, Article X, Article XII, Article XIII or in each case, the definitions relating thereto;

(v) any adoption or consummation of a voluntary plan or proposal for the Liquidation of the Company;

(vi) any of the actions described in clause (b) of the definition of Bankruptcy Proceeding with respect to the Company or any of its Subsidiaries;

(vii) any actions to be taken by the Company Representative or the Board under Section 7.1 or 8.3, other than as expressly permitted therein;

(viii) any actions that are not in compliance with Section 2.3 or Section 6.3(b);

(ix) any distribution by the Company or Parent, including any distribution on Real Common Shares (other than any dividend or distribution (x) that would result in an adjustment to the Exchange Price pursuant to Section 6.5(f)(i)-(iv));

(x) engage in any business unrelated to the activities set forth in Section 2.3;

(xi) enter into any arrangement, agreement or understanding with (A) Parent or any of its directors, officers or employees, (B) any Director or any Officer or (C) any Affiliate or family member of any of the foregoing, except for any arrangement, agreement or understanding that is otherwise not prohibited by this Agreement and is on arm's-length terms;

(xii) have any Indebtedness or otherwise assume or guarantee or become obligated for the debts of any other Person, or hold out itself or its credit or assets as being available to satisfy the obligations of any other Person, in each case, except as otherwise imposed by Law;

(xiii) make loans to any Person or hold evidence of indebtedness issued by any other Person (other than cash and investment-grade securities issued by an entity that is not an Affiliate of or subject to common ownership with such entity);

(xiv) form, acquire or hold any Subsidiary;

(xv) acquire or own any assets or property;

(xvi) pledge its assets to secure the obligations of itself or any other Person;

(xvii) transfer any of its assets or any right or interest therein; or

(xviii) have contingent or actual obligations.

(c) In exercising the voting rights set forth in Section 6.3(b), each Holder shall be entitled to one vote for each Preferred Unit owned by it.

(d) Meetings of the Holders may be called by Company and shall be held upon not less than five (5) Business Days nor more than sixty (60) days' prior written notice of the time and place of such meeting delivered to each Holder entitled to vote on any matter to be voted upon, in the manner provided in Section 14.1. Notice of any meeting may be waived by any Holder before or after any meeting. Meetings of the Holders may be conducted in person or by conference telephone, videoconference or webcast facilities. For any meeting of Holders entitled to vote on any matter to be voted upon, the presence in person or by proxy of Holders representing at least a majority of the issued and outstanding Preferred Units entitled to vote thereon shall constitute a quorum for the transaction of any business. The affirmative vote of Holders representing at least a majority of the issued and outstanding Preferred Units entitled to vote thereon shall constitute approval of any action.

(e) Any action may be taken by the Holders without a meeting if authorized by the written consent of the Members holding Preferred Units sufficient to approve such action pursuant to the terms of this Agreement. In no instance where action is authorized by written consent will a meeting of Members be required to be called or notice be required to be given; provided, however, that a copy of the action taken by written consent must be promptly sent to all Holders and filed with the records of the Company.

6.4 Liquidation Rights

(a) In the event of any Liquidation of the Company, whether voluntary or involuntary, each Holder shall be entitled to receive, in respect of each Preferred Unit held by it, and to be paid out of the assets of the Company (or, if the Company does not have sufficient assets to pay the entire Liquidation Preference, the assets of the Parent) available for distribution to the Company's members in preference to the holders of, and before any payment or distribution is made on, or assets set aside for, any Junior Share or Junior Units, the Liquidation Preference to which such Holder is entitled.

(b) In the event of any Liquidation of Parent, whether voluntary or involuntary, and whether or not there is a subsequent or concurrent Liquidation of the Company, each Holder shall be entitled to receive, in respect of each Preferred Unit held by it, and to be paid out of the assets of the Company (or, if the Company does not have sufficient assets to pay the entire Liquidation Preference, the assets of the Parent) available for distribution to the Company's members in preference to the holders of, and before any payment or distribution is made on, or assets set aside for, any Junior Shares or Junior Units, the Liquidation Preference to which such Holder is entitled. In furtherance of the foregoing, the Company, the Board and all of the Members shall execute such documents and instruments and take such action as may be reasonably required to carry out the right of the Members holding Preferred Units set forth in this Section 6.4(b).

(c) Other than in connection with the Liquidation of its business, (i) neither the sale, conveyance, exchange or transfer (for cash, shares of stock, securities or other consideration) of all or substantially all the assets or business of the Company or Parent or (ii) the merger or consolidation of the Company or Parent into or with any other Person, in each case shall be deemed to be a Liquidation, voluntary or involuntary, for the purposes of this Section 6.4.

(d) After the payment in full to the Holders of the amounts provided for in this Section 6.4, the Holders as such shall have no right or claim to any of the remaining assets of the Company in respect of their ownership of such Preferred Units. After the payment in full to the Holders of the amounts provided for in this Section 6.4, the Preferred Units shall be deemed to be redeemed for such amounts and automatically canceled, all distributions on the Preferred Units shall cease to accrue and all other rights with respect to the Preferred Units, including the rights, if any, to receive notices, will terminate.

(e) In the event the assets of the Company available for distribution to the Holders upon any Liquidation of the Company or Parent, whether voluntary or involuntary, shall be insufficient to pay in full all amounts to which such Holders are entitled pursuant to this Section 6.4 and the liquidating distributions payable to all holders of any Parity Units, the amounts distributed to the Holders and to the holders of all such Parity Units shall be paid, equally and ratably, in proportion to the full distributable amounts for which Holders of all Preferred Units and holders of any Parity Units are entitled upon such Liquidation assuming sufficient funds are available for the payment thereof in full and, for the avoidance of doubt, no such distribution shall be made on account of any Junior Shares or Junior Units. For the avoidance of doubt, no provision of this Section 6.4 shall prejudice or otherwise adversely affect the rights of Holders under the Exchange Agreement or the Guarantee Agreement, including to collect from Parent under the Guarantee Agreement all amounts to which such Holders are entitled pursuant to this Section 6.4.

6.5 Exchange

(a) The Holders shall have the right to exchange their Preferred Units, in whole or in part, for that number of whole Real Common Shares for each Preferred Unit equal to the quotient of (X) the Liquidation Preference then in effect, divided by (Y) the Exchange Price then in effect (such quotient, as applicable, the "**Exchange Rate**"), with such adjustment or cash payment for fractional shares as the Company may elect pursuant to Article VI. To exchange Preferred Units for Real Common Shares pursuant to this Section 6.5(a), such Holder shall give written notice (the "**Optional Exchange Notice**") to the Company, which Optional Exchange Notice may, at the Holder's discretion, be subject to one or more conditions precedent, including the completion of a Change of Control or other corporate transaction, as such Holder may specify (an "**Exchange Condition**"), signed and dated by such Holder or its duly authorized attorney or agent, stating that such Holder elects to so exchange Preferred Units and shall state therein:

(i) the number of Preferred Units to be exchanged;

(ii) the name or names in which such Holder wishes Real Common Shares to be delivered;

(iii) the Holder's computation of the number of Real Common Shares to be received by such Holder;

(iv) the date on which the exchange shall be consummated (the "**Optional Exchange Date**"), being a Business Day not less than two (2) nor more than fifteen (15) Business Days after the date upon which the Optional Exchange Notice is received by the Company (such date of receipt, the "**Optional Exchange Notice Date**") so long as and until any Exchange Condition is satisfied;

(v) the Exchange Price on the Optional Exchange Date; provided that should a Holder require Parent to provide the current Exchange Price, the Company shall cause Parent to promptly (and in any event within three (3) Business Days) provide the Holder with the current Exchange Price; and

(vi) the Securities Representations.

(b) If no Optional Exchange Date is specified in the Optional Exchange Notice, the Optional Exchange Date shall be deemed to be the fifteenth (15^{th}) Business Day after the Optional Exchange Notice Date, subject to the satisfaction of any applicable Exchange Condition. If an Optional Exchange Notice is sent by e-mail to the Company by 11:59 p.m. (Toronto time), such notice shall be deemed to have been received by the Company on the same day it is sent.

(c) On the earlier of (i) the listing of Real Common Shares on a nationally recognized stock exchange in the United States, (ii) Parent's Market Capitalization equaling or exceeding $500,000,000 for a 30 day consecutive trading day period or (iii) immediately prior to a Change of Control (each being a "**Forced Exchange Event**"), the Company shall have the right to cause all, but not less than all, of the issued and outstanding Preferred Units to be exchanged for that number of whole Real Common Shares for each Preferred Unit equal to the Exchange Rate then in effect (a "**Forced Exchange**"); provided, however that in order for the Company to exercise such right on the Forced Exchange Date, Real Common Shares are listed and posted for trading on a Stock Exchange and no order ceasing or suspending trading in Real Common Shares or prohibiting the sale or issuance of Real Common Shares has been issued and no (formal or informal) proceedings for such purpose are pending or, to the knowledge of the Company or Parent, have been threatened.

To exchange Preferred Units for Real Common Shares pursuant to this Section 6.4(c), the Company shall give not less than forty-five (45) days' written notice (the "**Forced Exchange Notice**" and the date of such notice, the "**Forced Exchange Notice Date**") to each Holder stating that the Company elects to force the exchange of such Preferred Units pursuant to this Section 6.4(c) and shall state therein (i) the date on which the exchange shall be consummated (the "**Forced Exchange Date**"), which shall be a date no more than fifteen (15) Business Days following the date that is forty-five (45) days after the Forced Exchange Notice Date, (ii) the number of such Holder's Preferred Units to be exchanged, if known, (iii) the Exchange Price on the Forced Exchange Date, (iv) the Company's computation of the number of Real Common Shares to be received by the Holder, and (v) the Securities Representations.

(d) The Company shall deliver, or cause to be delivered, the Real Common Shares due upon exchange of the Preferred Units in accordance with Section 6.5(a) or Section 6.5(c), as applicable, so exchanged as of the Exchange Date (the "**Exchange Common Shares**"), prior to the commencement of trading on the Stock Exchange on which the Real Common Shares are then listed (the "**Delivery Time**"):

(i) the Company shall deliver, or cause to be delivered, the Exchange Common Shares (or, following a Capital Reorganization, the Reference Property) due upon exchange of the Preferred Units so exchanged therefor to the Person specified in accordance with Section 6.5(a)(ii) or otherwise notified to the Company as the Person in whose name such Exchange Common Shares or Reference Property is to be delivered (the "**Recipient**"); and

(ii) if a fraction of a Real Common Share would otherwise be due on exchange of one or more Preferred Units, the Company shall pay to the Holder an amount in cash (computed to the nearest cent) or round up to the nearest whole Real Common Share and deliver such share to the Recipient, in each case as determined in accordance with Section 6.6.

(e) As of the time immediately prior to the Delivery Time on the applicable Exchange Date, distributions shall cease to accrue on the Preferred Units so exchanged, including the rights, if any, to receive notices, will terminate, except only the right of Holders thereof to receive the number of whole Real Common Shares for which such Preferred Units have been exchanged, any cash payment in respect of fractional units in accordance with Section 6.8, and any Reference Property in accordance with Section 6.5(f)(iv). The Recipient shall be treated for all purposes as the record holder of the Exchange Common Shares and, to the extent applicable, Reference Property due upon exchange of the exchanged Preferred Units, as of the Delivery Time on such Exchange Date. Such delivery of Exchange Common Shares and/or Reference Property shall be made, at the option of the Holder by delivering a notice to the Company, either (x) through the facilities of CDS or (y) in certificated form. Any such certificates shall be mailed to the Recipient by mailing certificates evidencing the shares or other Reference Property to the Recipient at the address as set forth in the Optional Exchange Notice (or, in the case of a Forced Exchange Notice or if no such address is specified in an Optional Exchange Notice, in the records of the Company or as set forth in a notice from the Holder to the Company). In the event that a Holder shall not by written notice (in the Optional Exchange Notice or otherwise) to the Company designate the name in which Exchange Common Shares, Reference Property and cash to be delivered upon exchange of Preferred Units should be registered or paid, or the manner in which such Exchange Common Shares, Reference Property or cash should be delivered, the Holder shall be deemed to have selected delivery in certificated form and the Company shall be entitled to register such Exchange Common Shares and Reference Property to, and make such payment in the name of, the Holder and delivered to the address for the Holder shown on the records of the Company.

(f) The Exchange Price shall be subject to the following adjustments (except as provided in Section 6.5(g)):

(i) If, subsequent to the Issue Date, Parent pays a dividend (or other distribution) in Real Common Shares to the holders of Real Common Shares, in their capacity as holders of Real Common Shares, then the Exchange Price in effect immediately prior to the record date for such dividend (or distribution) shall be divided by the following fraction:

$$\frac{OS1}{OS0}$$

where

OS0 = the number of Real Common Shares outstanding immediately prior to the close of business on the record date for such dividend or distribution; and

OS1 = the sum of (A) the number of Real Common Shares outstanding immediately prior to the close of business on the record date for such dividend or distribution and (B) the total number of Real Common Shares constituting such dividend or distribution.

Subject to Section 6.5(h), any adjustment pursuant to this clause (i) shall be effective immediately after the close of business on the record date for such dividend or distribution.

(ii) [Intentionally deleted].

(iii) If, subsequent to the Issue Date, Parent subdivides, consolidates, combines or reclassifies Real Common Shares into a greater or lesser number of Real Common Shares, then the Exchange Price in effect immediately prior to the effective date of such share subdivision, consolidation, combination or reclassification shall be divided by the following fraction:

$$\frac{OS1}{OS0}$$

where

OS0 = the number of Real Common Shares outstanding immediately prior to the effective date of such share subdivision, consolidation, combination or reclassification; and

OS1 = the number of Real Common Shares outstanding immediately after the opening of business on the effective date of such share subdivision, consolidation, combination or reclassification.

Subject to Section 6.5(h), any adjustment pursuant to this clause (iii) shall be effective immediately upon the effective date of such share subdivision, consolidation, combination or reclassification.

(iv) In the case of: (A) any recapitalization, reclassification or change of Real Common Shares (other than changes provided for in Section 6.5(f)(iii)), (B) any consolidation, merger or combination involving Parent, (C) any sale, lease or other transfer to a third party of the consolidated assets of Parent and its Subsidiaries substantially as an entirety (excluding, in the case of (B) and (C), any transactions which would trigger a Forced Exchange as described in Section 6.5(c) above), or (D) any statutory share exchange, as a result of which Real Common Shares are converted into, or exchanged for, shares, other securities, other property or assets (including cash or any combination thereof) subsequent to the Issue Date (any such transaction or event referenced in clauses (A)-(D), a "**Capital Reorganization**"), then, at and after the effective time of such Capital Reorganization, the right to exchange each Preferred Unit shall be changed into a right to exchange such unit into the kind and amount of shares, other securities or other property or assets (or any combination thereof) that the Holder of such Preferred Unit would have received in such Capital Reorganization had such Holder exchanged its Preferred Units into the applicable number of Real Common Shares immediately prior to the effective date of the Capital Reorganization using the Exchange Rate applicable immediately prior to the effective date of such Capital Reorganization (such shares, securities or other property or assets, the "**Reference Property**"). If the Capital Reorganization causes Real Common Shares to be converted into, or exchanged for, the right to receive more than a single type of consideration (determined based in part upon any form of shareholder election), then the Reference Property into which the Preferred Units will be exchangeable shall be deemed to be the weighted average of the types and amounts of consideration received by the holders of Real Common Shares that affirmatively make such an election. The Parent or the Company shall notify Holders of such weighted average as soon as practicable after such determination is made. None of the foregoing provisions shall affect the right of a Holder to exchange its Preferred Units into Real Common Shares pursuant to Section 6.5(a) prior to the effective time of such Capital Reorganization. Notwithstanding Sections 6.5(f)(i) to (iii), no adjustment to the Exchange Price shall be made for any Capital Reorganization to the extent shares, securities or other property or assets become the Reference Property receivable upon exchange of Preferred Units (provided that, for the avoidance of doubt, following any Capital Reorganization, Sections 6.5(f)(i) to (iii) shall apply to any shares or securities constituting Reference Property). The Parent or the Company shall provide at least thirty (30) days' written advance notice of any Capital Reorganization to each Holder prior to the consummation of such Capital Reorganization, the anticipated effective time thereof and the kind and amount of shares, securities or other property or assets that constitutes Reference Property. This Section 6.5(f)(iv) shall similarly apply to successive Capital Reorganizations and the other provisions of this Section 6.5(f) shall apply to any shares or securities constituting Reference Property in any such Capital Reorganization. The Parent and the Company shall not enter into any agreement for a transaction constituting a Capital Reorganization unless (A) such agreement provides for or does not interfere with or prevent (as applicable) exchange of Preferred Units into the Reference Property in a manner that is consistent with and gives effect to this Section 6.5(f)(iv), and (B) to the extent that Parent is not the surviving corporation in such Capital Reorganization or will be dissolved in connection with such Capital Reorganization, proper provision shall be made in the agreements governing such Capital Reorganization for the exchange of the Preferred Units into stock of the Person surviving such Capital Reorganization or such other continuing entity in such Capital Reorganization.

(v) Notwithstanding anything herein to the contrary, no adjustment under this Section 6.5(f) need be made to the Exchange Price unless such adjustment would require an increase or decrease thereto of at least $0.01. Any lesser adjustment shall be carried forward and shall be made and given effect immediately upon the earliest of the following: (A) at the time of and together with the next subsequent adjustment, if any, which, together with any adjustment or adjustments so carried forward, shall amount to an increase or decrease of at least $0.01 of the Exchange Price, (B) any Optional Exchange Notice Date or Forced Exchange Notice Date or (C) the date of notice by Parent or the Company to the Holders of any Capital Reorganization as required by Section 6.5(f)(iv).

(vi) After an adjustment to the Exchange Price under this Section 6.5(f), any subsequent event requiring an adjustment to the Exchange Price under this Section 6.5(f) shall cause an adjustment to each such Exchange Price as so adjusted. For the avoidance of doubt, if an event occurs that would trigger an adjustment to the Exchange Price pursuant to this Section 6.5(f) under more than one subsection hereof, such event, to the extent fully taken into account in a single adjustment, shall not result in multiple adjustments hereunder; provided, however, that if more than one subsection of this Section 6.5(f) is applicable to a single event, the subsection shall be applied that produces the largest decrease in the Exchange Price (or if there is no such decrease, if applicable, the smallest increase in the Exchange Price).

(vii) Notwithstanding any other provisions of this Section 6.5(f), rights, options or warrants distributed by Parent to holders of Real Common Shares, in their capacity as holders of Real Common Shares, entitling the holders thereof to subscribe for or purchase shares in the capital of Parent (either initially or under certain circumstances), which rights, options or warrants, until the occurrence of a specified event or events ("**Trigger Event**"): (A) are deemed to be transferred with such Real Common Shares; (B) are not exercisable; and (C) are also issued in respect of future issuances of Real Common Shares, shall be deemed not to have been distributed for purposes of this Section 6.5(f) (and no adjustment to the Exchange Price under this Section 6.5(f) will be required) until the occurrence of the earliest Trigger Event, whereupon such rights, options and warrants shall be deemed to have been distributed and an appropriate adjustment (if any is required) to the Exchange Price shall be made under Section 6.5(f)(ii). In addition, in the event of any distribution (or deemed distribution) of rights, options or warrants, or any Trigger Event or other event with respect thereto that was counted for purposes of calculating a distribution amount for which an adjustment to an Exchange Price under this Section 6.5(f) was made and (A) any such rights, options or warrants shall all have been redeemed, repurchased or forfeited at a price per right or warrant of less than C$0.0001 without exercise by any holders thereof, or (B) any such rights, options or warrants shall all have expired or been terminated without exercise thereof, such Exchange Price shall be readjusted as if such redeemed, repurchased, forfeited, expired or terminated rights, options or warrants had not been issued. To the extent that Parent has a rights plan or agreement in effect upon exchange of the Preferred Units, which rights plan provides for rights, options or warrants of the type described in this clause, then upon exchange of Preferred Units the Holder will receive, in addition to Real Common Shares to which the Holder is entitled, a corresponding number of rights in accordance with the rights plan, unless a Trigger Event has occurred and the adjustments to the Exchange Price with respect thereto have been made in accordance with the foregoing.

(viii) Notwithstanding anything to the contrary herein, in no event will the Exchange Price be increased pursuant to this Section 6.5(f), other than pursuant to Section 6.5(f)(iii).

(g) Notwithstanding anything to the contrary in Section 6.5(f), if the Holders are entitled to participate in a distribution or transaction to which Section 6.5(f)(ii) applies as if they held a number of Real Common Shares issuable upon exchange of the Preferred Units immediately prior to such event, without having to exchange their Preferred Units, then no adjustment under Section 6.5 need be made to the Exchange Price.

(h) Notwithstanding anything to the contrary herein, if Parent shall fix a record date for the purpose of determining the holders of its Real Common Shares entitled to receive a dividend or other distribution, and shall thereafter (and before the dividend or distribution has been paid or delivered to shareholders) abandon its plan to pay or deliver such dividend or distribution, then thereafter no adjustment in any Exchange Price then in effect shall be required by reason of the fixing of such record date.

(i) Upon any increase or decrease in the Exchange Price, then, and in each such case, the Company promptly (but in any event within five (5) Business Days of any such adjustment) shall deliver to each Holder a certificate signed by an Officer, setting forth in reasonable detail the event requiring the adjustment and the method by which such adjustment was calculated and specifying the increased or decreased Exchange Price then in effect following such adjustment and the effective time thereof.

(j) The delivery of evidence of deposit with CDS (or, if desired by the applicable Holder, certificates) for Real Common Shares upon the exchange of Preferred Units shall each be made without charge to the Holder or recipient of Preferred Units for such evidence or certificates or for any stock transfer or similar tax (other than income or similar taxes) in respect of the issuance or delivery of such evidence or certificates, and such evidence or certificates shall be recorded or delivered, as the case may be, in the respective names of, or in such names as may be directed by, the applicable Holder; provided, however, that the Company shall not be required to pay any tax which may be payable in respect of any transfer involved in the delivery of any such evidence of, or certificate representing, Real Common Shares in a name other than that of the Holder of the relevant Preferred Units and the Company shall not be required to deliver any such evidence or certificate unless or until the Person or Persons requesting the delivery thereof shall have paid to the Company the amount of such tax or shall have established to the reasonable satisfaction of the Company that such tax has been paid.

6.6 No Fractional Shares. No fractional Real Common Shares or securities representing fractional Real Common Shares shall be delivered upon exchange, whether voluntary or mandatory, or in respect of dividend payments made in Real Common Shares on the Preferred Units. Instead, the Company may elect to either make a cash payment to each Holder that would otherwise be entitled to a fractional share (based on the Closing Sale Price of such fractional share determined as of the Trading Day immediately prior to the payment thereof, converted to U.S. dollars at the applicable FX Rate) or, in lieu of such cash payment, round up to the next whole share the number of Real Common Shares to be delivered to any particular Holder upon exchange.

6.7 Uncertificated Units. The issuance of Preferred Units shall be reflected in the books and records of the Company, and shall not be represented by any certificate.

6.8 Miscellaneous.

(a) Preferred Units that have been issued and reacquired by the Company in any manner (upon compliance with any applicable provisions of the laws of Delaware) shall upon such reacquisition be automatically cancelled by the Company and shall not be reissued.

(b) The Preferred Units shall be issuable only in whole units.

(c) All payments required hereunder shall be made by wire transfer of immediately available funds to the Holders in accordance with the payment instructions as such Holders may deliver by written notice to the Company from time to time.

(d) Notwithstanding anything to the contrary herein, whenever the Board, or the board of directors of Parent, is permitted or required to determine fair market value, such determination shall be made reasonably and in good faith.

(e) Notwithstanding any other provision hereof, the Company may deduct or withhold from any payment, distribution, issuance or delivery (whether in cash or in shares) to be made pursuant to these share provisions any amounts required or permitted by law to be deducted or withheld from any such payment, distribution, issuance or delivery and shall remit any such amounts to the relevant tax authority as required. Notwithstanding the foregoing, the amount of any payment, distribution, issuance or delivery made to a Holder pursuant to this Article VI shall be considered to be the amount of the payment, distribution, issuance or delivery received by such Holder plus any amount deducted or withheld pursuant to this Section 6.8(e).

(f) Any amendment, modification or alteration of the rights, preferences, privileges or voting powers of the Preferred Units shall, solely to the extent required by the applicable rules and regulations of the TSXV, be subject to the approval of the TSXV for as long as Real Common Shares are listed for trading thereon.

ARTICLE VII
ALLOCATIONS AND DISTRIBUTIONS

7.1 Allocations of Net Profits and Net Losses. The Company shall be treated as a disregarded entity for U.S. federal, state and local tax purposes. In the event the Company is instead treated as a partnership for U.S. federal, state or local tax purposes:

(a) Allocations to Capital Accounts. Except as otherwise provided herein and after applying Section 7.2, each item of income, gain, loss, deduction and credit of the Company (determined in accordance with U.S. tax principles as applied to the maintenance of capital accounts) shall be allocated among the Capital Accounts of the Members with respect to each Fiscal Year, as of the end of such Fiscal Year, in a manner that after giving effect to Section 7.2 and all distributions through the end of such Fiscal Year, the Capital Account balance of each Member, immediately after making such allocation, is, as nearly as possible, equal to (i) the amount such Member would receive pursuant to Sections 6.2 and 7.4 if all assets of the Company on hand at the end of such Fiscal Year were sold for cash equal to their book value (as determined for Capital Account purposes), all liabilities of the Company were satisfied in cash in accordance with their terms (limited with respect to each nonrecourse liability (within the meaning set forth in Treasury Regulations Section 1.704-2(b)(3)) to the book value of the assets securing such liability), and all remaining or resulting cash was distributed, in accordance with Sections 6.2 and 7.4, to the Members immediately after making such allocation, minus
(ii) such Member's share of partnership minimum gain (as defined in Treasury Regulations Section 1.704-2(b)(2)) and member minimum gain (as defined in Treasury Regulation Section 1.704-2(i)), computed immediately prior to the hypothetical sale of assets.

(b) Construction. The allocations set forth in Section 7.1(a) and Section 7.2 are intended to comply with certain requirements of the Regulations. Notwithstanding the other provisions of this Article VII, the Board shall be authorized to make, subject to the rights of the Holders under Section 6.3(b), appropriate amendments to the allocations of items of income, gain, loss, deduction and credit pursuant to this Agreement (i) in order to comply with Section 704 of the Code or applicable Regulations, (ii) to allocate properly items of income, gain, loss, deduction and credit to those Members who bear the economic burden or benefit associated therewith, or (iii) to otherwise cause the Members to achieve the economic objectives underlying this Agreement and the Purchase Agreement as determined by the Board. The Board also shall (A) make any adjustments that are necessary or appropriate to maintain equality between the Capital Accounts of the Members and the amount of Company capital reflected on the Company's balance sheet, as computed for book purposes, in accordance with Regulations Section 1.704- 1(b)(iv)(*g*), and (B) make any appropriate modifications in the event unanticipated events might otherwise cause this Agreement not to comply with Regulations Section 1.704- 1(b). Without limiting the foregoing, and notwithstanding Section 7.1(a) and Section 7.2, but subject to the Regulatory Allocations, items of income, gain, loss, deduction and credit of the Company shall be allocated among the Members so as to eliminate the effect of the Regulatory Allocations and thereby cause the respective Capital Account balances of the Members to be in the amounts (or as close thereto as possible) they would have been if items of income, gain, loss, deduction and credit of the Company had been allocated without reference to the Regulatory Allocations. In general, the Members anticipate that this shall be accomplished by specially allocating other items of income, gain, loss, deduction and credit of the Company among the Members so that the net amount of Regulatory Allocations and such special allocations to each such Member is zero.

(c) Tax Allocations. All items of income, gain, loss, deduction and credit of the Company shall be allocated among the Members, for federal, state, and local income tax purposes, in the same manner as such income, gain, loss, deduction and credit is allocated among such Members pursuant to Sections 7.1(a) and 7.2 (taking into account Section 7.1(b)) except as may otherwise be provided herein or by the Code, the Regulations, or other applicable Law (in which case the Company's subsequent income, gains, losses, deductions and credits will be allocated among the Members so as to reflect as nearly as possible the allocation set forth herein in computing their Capital Accounts). The Board shall have the power to make such allocations and to take any and all action necessary under the Code and the Regulations thereunder, or other applicable Law, to effect such allocations.

7.2 Special Allocations. The Company shall be treated as a disregarded entity for U.S. federal, state and local tax purposes. In the event the Company is instead treated as a partnership for U.S. federal, state or local tax purposes:

(a) Regulatory Compliance. The provisions of Sections 5.4, 7.1, this Section 7.2 and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Regulation Section 1.704-1(b) and shall be interpreted and applied in a manner consistent with such Regulation. In furtherance of the foregoing, the provisions of Section 704 of the Code and the Regulations thereunder addressing qualified income offset, minimum gain chargeback requirements and allocations of deductions attributable to nonrecourse debt and partner nonrecourse debt (as defined in Regulation Section 1.704-2(b)(4)), are hereby incorporated by reference (the "**Regulatory Allocations**").

(b) Section 754 Adjustments. To the extent an adjustment to the adjusted tax basis of any Company asset pursuant to Code Section 734(b), Code Section 732(d), or Code Section 743(b) is required, pursuant to Regulations Section 1.704-1(b)(2)(iv)(m), to be taken into account in determining Capital Accounts, the amount of such adjustment to Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis) and such gain or loss shall be specially allocated to the Members in a manner consistent with the manner in which their Capital Accounts are required to be adjusted pursuant to such Regulation.

(c) Other Allocation Rules.

(i) All items of income, gain, loss, deduction and credit of the Company shall be allocated among the Members as provided in this Article VII. If Members are admitted to the Company on different dates during any Fiscal Year, or the interests of the Members fluctuate during a Fiscal Year, items of income, gain, loss, deduction and credit of the Company shall be allocated among the Members for such Fiscal Year in accordance with Code Section 706 and the Regulations thereunder.

(ii) The Members are aware of the income tax consequences of the allocations made by this Article VII and hereby agree to be bound by the provisions of this Article VII in reporting their shares of income and loss for income tax purposes.

7.3 No Right to Distributions. No Member shall have the right to demand or receive Distributions of any amount, except as expressly provided in this Article VII.

7.4 Distributions

(a) General. Distributions shall be made to the Holders in accordance with Section 6.2 and 6.4; provided that, in the case of a Liquidation, any proceeds in respect of such Liquidation shall be distributed as promptly as practicable following receipt thereof.

(b) Method. All distributions within a class of Units shall be pro rata in proportion to the respective Percentage Interests on the applicable record date for such distribution.

(c) [Intentionally omitted.]

(d) Set-Off. The payment of Distributions to a Member pursuant to this Section 7.4 shall not be subject to any set-off, counterclaim, recoupment, defense, or other right that the Company or any Company Subsidiary may have against the Member, other than (i) as otherwise required under applicable Law, or (ii) as expressly contemplated by Sections 7.5(a) and 8.3(e); provided that a Member may, in its sole discretion, elect in writing to direct payment of all or a part of any Distribution to which such Member is entitled to another Person, and may direct payment of all or a part of any Distribution to the Company in satisfaction of any obligation such Member has to the Company. Notwithstanding that a Distribution is offset or payment of such Distribution is directed to another Person, in each case, pursuant to this Section 7.4(d), income shall be allocated as if such Distribution was received by the Member otherwise entitled to receive such Distribution.

7.5 Withholding.

(a) General. The Company is hereby authorized and directed to withhold from any Distribution made to a Member the amount of taxes required to be withheld or paid by the Company under applicable Law with respect to any allocations or Distributions to such Member as levied by any federal, state, local or foreign taxing authority (collectively, "**Withholding Taxes**") and to take any and all other actions that it determines to be necessary or appropriate to ensure that the Company and each of the Company Subsidiaries satisfies its withholding, reporting and tax payment obligations under any applicable Law. Notwithstanding the foregoing, if Withholding Tax is payable or levied solely because the Company is, or is deemed to be resident in Canada for tax purposes, the Company and Parent shall indemnify and save the Investor Members harmless for any Withholding Tax, including any interest, penalties and additions to tax related thereto. Subject to the following sentence, any amount withheld pursuant to this Section 7.5(a) or any amounts withheld with respect to payments or allocations to the Company, in each case, in respect of some but not all Members, shall be treated as a Distribution to such Member under Section 7.4(b) or 7.4(c), as applicable, and shall reduce the amount otherwise distributable to such Member thereunder. If Distributions under Section 7.4(b) or 7.4(c) are insufficient to cover the amount of taxes required to be withheld or paid by the Company pursuant to this Section 7.5, the Member to which such taxes relate shall be obligated to indemnify the Company for such taxes in excess of Distributions within 30 days upon receipt notice from the Company demanding such payment. Neither the Company nor the Board shall be liable for any excess taxes withheld in respect of any distribution or allocation of income or gain to a Member and the event of an overwithholding, a Member's sole recourse shall be to apply for a refund from the appropriate taxing authority; provided, that such overwithholding was done in good faith by the Company. For the avoidance of doubt, the indemnity contained in this Section 7.5(a) shall survive the termination of this Agreement until the expiration of the applicable statute of limitations.

(b) Assistance. The Company shall use commercially reasonable efforts to, upon receipt of a written request from any Member, and at such Member's sole expense, provide such information to such Member as is reasonably necessary to assist such Member in making any necessary filings, applications or elections to obtain any available exemption from, reduction of or any available refund of, any withholding imposed by any taxing authority with respect to amounts distributable or items of income allocable to such Member hereunder, but only to the extent it would not impose any incremental unreimbursed cost or expense on, or otherwise adversely affect, the Company, the Company Subsidiaries or any other Member (or its respective Affiliates, partners, members, shareholders, or owners). Each Member shall provide all information and forms reasonably requested by the Company in order for the Company to ensure that it and the Company Subsidiaries satisfy the obligations contemplated by Section 7.5(a) and this Section 7.5(b) (and shall reimburse the Company for all reasonable costs and expenses incurred in connection with such obligations that were requested by such Member or its direct or indirect partners, owners or members); provided, that, without limitation of the Company's right to withhold on Distributions under Section 7.5(a), nothing in Section 7.5 shall require Holder to provide identifying information with respect to its direct or indirect partners, owners or members.

7.6 Restrictions on Distributions. The foregoing provisions of this Article VII to the contrary notwithstanding, no Distribution shall be made if, and for so long as, such Distribution would violate any Law then applicable to the Company.

7.7 Determinations by the Board. Subject to the rights of Holders under Section 6.3(b), all matters concerning the computation of Capital Accounts, the allocation of items of Company income, gain, loss, deduction and expense for all purposes of this Agreement and the adoption of any accounting procedures not expressly provided for by the terms of this Agreement shall be determined by the Board.

ARTICLE VIII
ACCOUNTS

8.1 Books. The Board shall cause to be maintained complete and accurate books of account of the Company's affairs at the Company's principal place of business. Such books shall be kept and prepared in conformity with IFRS. The Company's accounting period shall be as determined by the Board.

8.2 Reports.

(a) Tax Reporting. The Company shall be treated as a disregarded entity for U.S. federal, state and local tax purposes and shall use reasonable efforts to prepare and file an IRS Form 5472 if required under U.S. tax law. In the event the Company is instead treated as a partnership for U.S. federal, state or local tax purposes, the books of account of the Company shall be closed after the close of each calendar quarter and each Fiscal Year, and the Company shall cause the Accounting Firm to prepare, and following such preparation, the Company shall: (i) use commercially reasonable efforts to send to each Member, to the extent reasonably practicable, an estimated Schedule K-1 by March 15 following the close of any Fiscal Year, in each case, prepared on the basis of such information as is reasonably available to the Company at the relevant time, and (ii) shall send a final Schedule K-1 by May 31 following the close of any Fiscal Year (which Schedule K-1s shall also include all relevant state and local tax information).

(b) Tax Preparation. The tax returns and all associated items shall be prepared by the Accounting Firm.

8.3 Tax Matters. The Company shall be treated as a disregarded entity for U.S. federal, state and local tax purposes. In the event the Company is instead treated as a partnership for U.S. federal, state or local tax purposes:

(a) Parent or its delegate is hereby designated as the initial Company Representative. The Board is hereby authorized to revoke the designation of any Person as the Company Representative and designate any replacement Company Representative with respect to any tax year of the Company, in each case, subject to the approval of the Investor Members. Each Member hereby consents to the designation of the Company Representative in accordance with this Agreement and agrees that upon the request of the Company Representative, it will execute, certify, acknowledge, swear to, file and record at the appropriate public offices such documents as may be necessary or appropriate to evidence such consent. Subject to the rights of the Holders set forth in Section 6.3(b), each Member agrees to take, and the Board is authorized to take (or cause the Company to take), such other actions as may be necessary or advisable pursuant to Regulations or other IRS or Treasury guidance or state or local Law to cause such designations. The Board (i) shall notify each Member of the identity of the Company Representative if other than as set forth above and (ii) shall cause the Company Representative (if it is not a Member) to agree in writing to be bound by the terms of this Agreement solely as they relate to the powers and duties of the Company Representative (and the limitations thereon pursuant to this Agreement) in such capacity.

(b) Subject to the consent rights of the Holders set forth in Section 6.3(b) and Section 8.3(a), the Company Representative shall be permitted to take any and all actions under the BBA Rules, and shall have any and all powers necessary to perform fully in such capacity. Further, the authority of the Company Representative shall include the authority to represent the Company before taxing authorities and courts in tax matters, including audits or administrative or judicial proceedings, affecting the Company, the Company Subsidiaries and the Members in their capacity as such ("**Tax Contests**"), and the authority to make any election under the BBA Rules, including the election under Section 6226 of the Code or similar provision of state or local Law, in connection with any Tax Contest. If the Company Representative causes the Company to make an election under Section 6226 of the Code, the Members covenant to take into account, report, and pay (or reimburse the Company for) the tax liability and any interest and penalties related to any adjustment, determined in accordance with Section 6226 of the Code and any Treasury Regulations adopted therewith (the "Section 6226 Adjustments"), to their items for the reviewed year (as defined under the BBA Rules) as notified to them by the Company Representative on behalf of the Company in the statement described above. Any Member which fails to report and/or pay (or reimburse the Company for) its share of tax liability and interest and penalties related to such Section 6226 Adjustments on its U.S. federal income tax return for its taxable year including the date of any such statement shall indemnify and hold harmless the Company and the other Members against any tax, interest and penalties collected from the Company as a result of such Member's inaction, together with interest thereon. If no election under Section 6226 is made, then each Member agrees to indemnify the Company for the portion of any "imputed underpayment" that is attributed to such Member, as determined by the Company Representative in its reasonable judgement. Each Member agrees that any action taken by the Company Representative (or its representatives) in its capacity as such in connection with Tax Contests that does not violate this Agreement shall be binding upon the Members. Each Member agrees that such Member shall notify the Company Representative in a timely manner of its intention to file a notice of inconsistent treatment with respect to a Company item.

(c) In the event that the Investor Members are treated as partners in the Company for U.S. federal, state or local tax purposes, and if any Entity Taxes are imposed on or otherwise payable by the Company (including the Company's share of Entity Taxes imposed on any Company Subsidiary):

(i) The Board shall (i) notify the Members in a timely manner, and (ii) allocate among the Members such Entity Taxes in a manner that takes into account any modifications attributable to a Member pursuant to the BBA Rules (if applicable). To the extent that a portion of the Entity Taxes for a prior year relates to a former Member (or to a Member whose Percentage Interest differs from its Percentage Interest in the subject year of the Tax Contest), the Board may require such former Member or Member to pay to the Company an amount equal to its allocable portion of such Entity Taxes (which shall not be treated as a Capital Contribution, which shall not impact the Percentage Interest of such former Member or Member and which shall result in no additional Units being issued to such former Member or Member in respect thereof). Notwithstanding the foregoing, if the Board determines that seeking a payment from a former Member is not practicable or that seeking such payment has failed, the Board may require the Substitute Member that acquired directly or indirectly from such former Member the interest in the Company associated with such portion of the Entity Taxes to pay such amount or to pay such amount from the funds of the Company. Each Member acknowledges and agrees that the Board and the Company Representative shall be permitted to take any actions to reduce or avoid Entity Taxes being imposed on the Company or any Company Subsidiary. Notwithstanding the foregoing, if Entity Taxes are payable or levied solely because the Company is, or is deemed to be, resident in Canada for tax purposes, the Company and Parent shall indemnify and save the Investor Members harmless for any Entity Taxes, including any interest, penalties and additions to tax related thereto. The indemnification contained in this Section 8.3(c)(i) shall survive the termination of this Agreement until the expiration of the applicable statute of limitations.

(ii) Each Member (including former Members, if applicable) shall pay to the Company in immediately available funds by wire transfer its share of any Entity Tax imposed on or otherwise payable by the Company (including the Company's share of Entity Taxes imposed on any Company Subsidiary) within ten (10) days following written notice by the Company that payment of such amounts to the appropriate governmental authority is due. Such payment shall not increase such Member's (or former Member's) Capital Contribution, shall not impact the Percentage Interest of such Member (or former Member) and shall result in no additional Units being issued to such Member (or former Member) in respect thereof, and any such payment shall be payable notwithstanding the termination of the Company. In lieu of the foregoing, the Company may pay any Entity Tax imposed on or otherwise payable by the Company (including the Company's share of Entity Taxes imposed on any Company Subsidiary) and treat such payment, to the extent such payment is allocable to a Member pursuant to Section 8.3(d), as an amount actually distributed to the applicable Members pursuant to Section 7.4(b) or 7.4(c) (as determined at the time paid or withheld). For purposes of this Section 8.3(e), an amount shall be considered paid or withheld if, and at the time, remitted to a governmental agency without regard to whether the remittance occurs at the same time as the distribution or allocation to which it relates; provided that an amount actually withheld from a specific distribution or designated by the Board as withheld with respect to a specific allocation shall be treated as if it were distributed at the time such distribution or allocation occurs. Notwithstanding anything to the contrary in this Agreement, the Board may offset Distributions to

which a Person is otherwise entitled under this Agreement against such Person's obligation to indemnify the Company under Sections 8.3(d) and this Section 8.3(e). If a Member reimburses its share of an Entity Tax by having the amount of a Distribution (or Distributions) reduced as described in the preceding two sentences, for all other purposes of this Agreement, such Member shall be treated as having received all Distributions (whether before or upon termination) unreduced by the amount of such Entity Tax and interest thereon. For the avoidance of doubt, any taxes, penalties and interest payable under the BBA Rules by the Company shall be treated as specifically attributable to the Members, and the Board shall use commercially reasonable efforts to allocate the burden of (or any diminution in distributable proceeds resulting from) any such taxes, penalties or interest to those Members to whom such amounts are specifically attributable (whether as a result of their status, actions, inactions or otherwise); provided that no Member shall be responsible for any such penalties, additions to tax or interest that resulted from the willful misconduct or gross negligence of the Company Representative.

(d) Subject to the consent rights of the Holders set forth in Section 6.3(b), all tax elections required or permitted to be made by the Company shall be made in such manner as reasonably determined by the Board or Company Representative. Each Member shall cooperate with the Board, the Company Representative and the Company and provide the Company Representative and the Company with any tax information reasonably requested, in each case, so that the Company Representative or the Company can implement the provisions of this Section 8.3 (including by making any election permitted hereunder), can file any tax return of the Company, and can conduct any Tax Contest or similar proceeding of the Company. Each of the Members irrevocably waives any rights to information from the Company provided under Section 18-305 of the Act; provided that, for the avoidance of doubt, the foregoing waiver shall not limit any rights to information expressly set forth in this Agreement or as otherwise agreed to between a Member and the Company.

(e) The Company Representative shall be entitled to expend Company funds, or to be reimbursed by the Company, for all reasonable costs and expenses incurred in acting as the Company Representative, including for professional services, and nothing herein will be construed to restrict the Company from engaging an accounting firm or legal counsel to assist the Company Representative in discharging its duties hereunder. Without duplication of the foregoing, promptly following the written request of the Company Representative, the Company shall, to the fullest extent permitted by Law, reimburse and indemnify the Company Representative for all reasonable expenses, including reasonable legal and accounting fees, claims, liabilities, losses and damages incurred by the Company Representative in connection with the exercise of its rights and fulfillment of its duties as such.

(f) The provisions of Section 8.3 and 7.5(a) shall be interpreted to apply to Members and former Members (and their transferees) and the provisions of this Section 8.3 shall survive the termination of this Agreement and the Liquidation and termination of the Company, and to the maximum extent not prohibited by applicable Law, for this purpose, the Company shall be treated as continuing in existence.

8.4 Fiscal Year. The fiscal year of the Company (the "**Fiscal Year**") for financial statement purposes shall be determined by the Board from time to time, and shall initially be the fiscal year ending December 31; provided that any change to the Fiscal Year shall require the Requisite Holder Consent.

8.5 Tax Treatment. For all U.S. federal, state and local tax purposes, the Investor Members shall be treated as owners of stock of Parent, and shall not be treated as economic Members of the Company.

ARTICLE IX
TRANSFER OF UNITS IN THE COMPANY

9.1 Lock-Up and Other Transfer Restrictions.

(a) Lock-Up and Transfer Restrictions. Until the twelve month anniversary of the Effective Date, each Investor Member shall hold its Preferred Units and shall not Transfer any of such Preferred Units or any right or interest therein, other than Transfers (i) to a Permitted Transferee, (ii) with the prior written consent of the Parent Members, and (iii) in connection with a *bona fide* margin loan of such Investor Member or any Transfers by the applicable lender upon the exercise of any related foreclosure right or remedy. So long as any Preferred Units are outstanding, each Parent Member shall hold its Common Units and shall not Transfer any of such Common Units or any right or interest therein, other than Transfers with the Requisite Holder Consent, which Requisite Holder Consent shall not be unreasonably withheld or delayed in the case of a Transfer to an Affiliate where the Common Units remain indirectly wholly-owned by Parent.

(b) Transfers in Violation. Any attempted Transfer of Units by any Member, other than in strict accordance with this Article IX, shall be null and void *ab initio* and the purported transferee shall have no rights as a Member or Assignee hereunder. No Member shall intentionally avoid the provisions of this Agreement by making one or more Transfers to one or more Permitted Transferees and then disposing of all or any portion of such party's interest in any such Permitted Transferee, and any such Transfer or attempted Transfer in violation of this covenant shall be null and void *ab initio*.

(c) Authorized Transfer. Any Transfer allowed under this Section 9.1, including any Transfer occurring after the twelve month anniversary of the Effective Date, is referred to herein as an "**Authorized Transfer**."

9.2 Conditions to Authorized Transfers.

(a) Without limiting the restrictions on Transfer and other terms of Section 9.1, a Member shall be entitled to make an Authorized Transfer only upon satisfaction of each of the following conditions, unless waived by the Board:

(i) such Transfer does not require the registration or qualification of such Units pursuant to any applicable federal, state or provincial securities Laws;

(ii) such Transfer does not result in a violation of applicable Laws;

(iii) such Transfer would not, in the opinion of legal counsel to the Company, cause any portion of the assets of the Company to constitute assets of any employee benefit plan pursuant to Department of Labor Regulations Section 2510.2-101, as modified by Section 3(42) of ERISA as may be amended form time to time;

(iv) such Transfer is not made to any Person who, at the time of such Transfer, lacks the legal right, power or capacity to own Units;

(v) such Transfer does not cause the Company to become a reporting company under the Exchange Act;

(vi) if such Transfer is to a U.S. Person, such Transfer is to an "**accredited investor**" (as defined in Regulation D promulgated under the Securities Act) and would not disqualify the Company from being able to rely on Rules 506(b) or 506(c) of Regulation D under the Securities Act;

(vii) such Transfer is not made to any Person who would subject the Company to the "**bad actor**" disqualification provisions in Rule 506(d) of Regulation D of the Securities Act; and

(viii) the Board receives written instruments that are in a form reasonably satisfactory to the Board and the Company Representative (including (A) copies of any instruments of Transfer, and (B) such Assignee's consent to be bound by this Agreement as an Assignee).

9.3 Effect of Transfers. Upon any Transfer effected in compliance with this Article IX, unless otherwise expressly set forth in this Agreement, the Assignee of the transferred Units shall become a Substitute Member and shall be entitled to receive the Distributions and allocations of income, gain, loss, deduction, credit or similar items to which the transferring Member would be entitled with respect to such Units and be entitled to exercise any of the other rights of a Member with respect to the transferring Member's Units.

9.4 Admission of Assignees as Substitute Members. Unless otherwise expressly set forth in this Agreement, an Assignee of all or any portion of the Units of a Member shall become a Substitute Member of the Company.

9.5 Cessation of Member.

(a) Events Resulting in Cessation of Member. Any Member shall cease to be a Member of the Company upon the earliest to occur of any of the following events:

(i) such Member's withdrawal from the Company pursuant to Section 9.6(a);

(ii) as to any Member that is not an individual, the filing of a certificate of dissolution, or its equivalent, for such Member;

(b) Upon any Member ceasing to be a Member pursuant to Section 9.5(a), such Member or its successor in interest shall become an Assignee of its Units, entitled to receive the Distributions and allocations of income, gain, loss, deduction, credit or similar items to which such Member would have been entitled as a Member with respect to such Units but shall not be entitled to exercise any of the other rights of a Member in, or have any duties or other obligations of a Member with respect to, such Units unless and until the Board has consented in writing to such Assignee being admitted as a Substitute Member. No such Member shall have a right to a return of its Capital Contribution.

9.6 Withdrawal of Members Upon Transfer.

(a) If a Member has Transferred all of its Units in one or more Authorized Transfers or otherwise in compliance with this Agreement, then such Member shall withdraw from the Company on the date upon which each Assignee of such Units has been admitted as a Substitute Member, and such Member shall no longer be entitled to exercise any rights or powers of a Member under this Agreement.

(b) No Member shall have the right to withdraw from the Company other than pursuant to Section 9.6(a).

9.7 After-Acquired Securities. All of the provisions of this Agreement shall apply to all of the Units now owned or which may be issued or transferred hereafter to a Member in consequence of any additional issuance, purchase, exchange or reclassification of any of such Units, corporate reorganization, or any other form of recapitalization, consolidation, merger, share split or share dividend, or which are acquired by a Member in any other manner.

ARTICLE X
EVENTS OF DISSOLUTION

10.1 Dissolution. Subject to Section 6.3(b), the Company shall be dissolved upon the affirmative vote or consent of Members owning Voting Units representing at least a Majority Interest, and the Requisite Holder Consent (each, an "**Event of Dissolution**"). The Members hereby agree that the Company shall not dissolve prior to the occurrence of an Event of Dissolution and that no Member shall seek a dissolution of the Company under Section 18-802 of the Act. No other event, including the retirement, withdrawal, insolvency, liquidation, dissolution, insanity, resignation, expulsion, bankruptcy, death, incapacity or adjudication of incompetency of a Member, shall cause the existence of the Company to terminate.

ARTICLE XI
TERMINATION

11.1 Liquidation. If an Event of Dissolution shall occur, then the Company shall be liquidated and its affairs shall be wound up. All proceeds from such liquidation shall be distributed as set forth below, in accordance with the provisions of Section 18-804 of the Act:

(a) to creditors, including Members who are creditors to the extent permitted by Law, in satisfaction of the Company's liabilities; and

(b) then, to the Members in accordance with Section 6.4.

11.2 Final Accounting. In the event of the dissolution of the Company, prior to any liquidation, (i) a proper accounting shall be made to the Members from the date of the last previous accounting to the date of dissolution and (ii) a final allocation of all items of income, gain, loss, deduction and credit in accordance with Article VII, only in the event that the Company is considered a partnership for U.S. tax purposes, shall be made in such a manner that, immediately before distribution of assets pursuant to Section 12.1(b), the positive balance of the Capital Account of each Member shall, to the greatest extent possible, be equal to the net amount that would so be distributed to such Member (and any non-cash assets to be distributed will first be written up or down to their fair market value, thus creating hypothetical gain or loss (if any), which resulting hypothetical gain or loss shall be allocated to the Members' Capital Accounts in accordance with the requirements of Treasury Regulation Section 1.704-1(b) and other applicable provisions of the Code and this Agreement).

11.3 [Intentionally Omitted]

11.4 Cancellation of Certificate.Upon the completion of the winding up of the Company's affairs and distribution of the Company's assets, the Company shall be terminated and the Members shall cause the Company to execute and file a Certificate of Cancellation in accordance with Section 18-203 of the Act.

ARTICLE XII
EXCULPATION AND INDEMNIFICATION

12.1 Exculpation. Notwithstanding any other provisions of this Agreement, whether express or implied, or obligation or duty at Law or in equity, none of (a) the Members, the Directors or the Company Representative, any officers, directors, managers, stockholders, partners, members, employees, representatives or agents of any of the foregoing, any director, manager, officer, employee, representative or agent of the Company or any of its Affiliates, any Parent Related Party or any Investor Related Party (collectively, the "**Covered Persons**") or (b) any former Covered Person, shall be liable to the Company or any Member for any act or omission in relation to the Company, any Company Subsidiary, this Agreement, the management or administration of the Company or any Company Subsidiary or in connection with the business or affairs of the Company or any Company Subsidiary or the activities of such Covered Person taken or omitted in good faith by a Covered Person on behalf of the Company or any Company Subsidiary; provided that a court of competent jurisdiction shall not have determined that such act or omission constitutes (i) fraud, willful misconduct, bad faith or gross negligence, or (ii) a criminal act by such Person that such Person had no reasonable cause to believe was lawful (collectively, "**Disabling Conduct**"). There shall be, and each Covered Person shall be entitled to, a presumption that such Covered Person acted in good faith.

12.2 Indemnification. Subject to Section 6.3, to the fullest extent permitted by Law, the Company shall indemnify and hold harmless each Covered Person and each former Covered Person from and against any and all losses, claims, demands, liabilities, expenses, judgments, fines and settlements arising from any and all claims, demands, actions, suits or proceedings, civil, criminal, administrative or investigative ("**Claims**"), in which such Covered Person may be involved, or threatened to be involved, as a party or otherwise, by reason of its management of the affairs of the Company or that relates to or arises out of the Company or any Company Subsidiary or their respective property, business or affairs. A Covered Person or former Covered Person shall not be entitled to indemnification under this Section 12.2 with respect to (a) any Claim with respect to which a court of competent jurisdiction has determined to have resulted from such Covered Person's Disabling Conduct or (b) any Claim initiated by such Covered Person unless such Claim (or part thereof) (i) was brought to enforce such Covered Person's rights to indemnification hereunder (provided that such Covered Person is actually entitled to such indemnification hereunder). Expenses incurred by a Covered Person in defending any Claim shall be paid by the Company in advance of the final disposition of such Claim upon receipt by the Company of an undertaking by or on behalf of such Covered Person to repay such amount if it shall be ultimately determined that such Covered Person is not entitled to be indemnified by the Company as authorized by this Section 12.2. There shall be, and each Covered Person shall be entitled to, a presumption that such Covered Person acted in good faith.

12.3 Effect of Modification. Any repeal, modification or termination of this Article XII (including any termination of this Agreement in whole or in part) shall not adversely affect any rights of such Covered Person pursuant to this Article XII, including the right to indemnification and to the advancement of expenses of a Covered Person existing at the time of such repeal, modification or termination with respect to any acts or omissions occurring prior to such repeal, modification or termination.

12.4 Non-exclusivity of Rights. The rights conferred on any Covered Person by this Article XII shall not be exclusive of any other rights that such Covered Person may have or hereafter acquire under any statute, provision of this Agreement, agreement, vote of members or disinterested Directors or otherwise.

ARTICLE XIII
AMENDMENT TO AGREEMENT

13.1 Amendments. Subject to the consent rights of the Holders set forth this Agreement, amendments to this Agreement and to the Certificate of Formation shall be approved in writing by the affirmative vote of holders of Voting Units issued and outstanding and entitled to vote representing at least a Majority Interest. An amendment shall become effective as of the date specified in the Members' approval, as applicable, or, if none is specified, as of the date of such approval or as otherwise provided in the Act. Copies of any amendments to this Agreement and to the Certificate of Formation shall be promptly given to the Investor Members.

ARTICLE XIV
GENERAL PROVISIONS

14.1 Notices.

(a) Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be delivered in Person, transmitted by e-mail or similar means of recorded electronic communication (in which case it may be executed by electronic signatures and electronic pdf signatures (including by email or scanned pages)) or sent by registered mail, charges prepaid, addressed as follows:

(i) If to the Company, the Parent or any Parent Member:

c/o The Real Brokerage Inc.
133 Richmond Street West Suite 302
Toronto, Ontario M5H 2L3

Attention: Tamir Poleg
Email: [*redacted*]

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

Gowling WLG (Canada) LLP

1 First Canadian Place,
100 King Street West, Suite 1600,
Toronto, Ontario, M5X 1G5

Attention: Jason A. Saltzman
Email: *[redacted]*

(ii) If to the Investor Members or their Affiliates:

c/o Insight Partners
1114 Avenue of the Americas, Floor 36
New York, NY 10036

Attention: Andrew Prodromos
Deputy General Counsel and Chief Compliance Officer
E-mail: *[redacted]*

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

Willkie Farr & Gallagher LLP
787 Seventh Avenue
New York, NY 10019

Attention: Robert A. Rizzo
Email: *[redacted]*

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

Stikeman Elliott LLP
5300 Commerce Court West
199 Bay Street
Toronto, Ontario M5L 1B9

Attention: Jonah Mann
E-mail: [*redacted*]

If to a Member other than the Parent Members, the Investor Members or any of their respective Affiliates, to the address of such Member specified on Schedule A hereto.

(b) Any such notice or other communication shall be deemed to have been given and received on the day on which it was delivered or transmitted by email or personally by hand (or, if such day is not a Business Day or if delivery or transmission is made on a Business Day after 5:00 p.m. (Toronto time) (or, in the case of an Optional Exchange Notice, after 11:59 p.m. (Toronto time) at the place of receipt, then on the next following Business Day)) or, if mailed by internationally recognized courier, on the Business Day following the date of mailing.

(c) Such addresses may be changed, from time to time, by means of a notice given in the manner provided in this Section 14.1.

14.2 Publicity; Confidentiality.

(a) None of the Members shall issue a press release or public announcement or otherwise make any disclosure concerning this Agreement, the transactions contemplated hereby or any information or materials received or otherwise relating to the Company or the Company Subsidiaries, any understandings, agreements or other arrangements between or among the parties, and any other non-public information received from or otherwise relating to the Company or the Company Subsidiaries (regardless of whether such information or materials have been designated by the Board or any other Person as confidential) without approval by the Board.

(b) Notwithstanding the foregoing, nothing in this Agreement shall restrict any of the parties from disclosing information (i) that is already publicly available, (ii) that was known to such party on a non-confidential basis prior to its disclosure by another party, (iii) that may be required or appropriate in response to any summons or subpoena or in connection with any litigation, provided that such party shall use reasonable efforts to notify the disclosing party in advance of such disclosure so as to permit the disclosing party to seek a protective order or otherwise contest such disclosure, and such party shall use reasonable efforts to cooperate, at the expense of the disclosing party, with the disclosing party in pursuing any such protective order, (iv) in order to comply with any applicable Law, (v) to the directors, managers, officers, advisors, employees, controlling persons, auditors or counsel of any of the parties hereto, (vi) that may be required or reasonably appropriate in response to any request from a Governmental Authority with jurisdiction over such party, (vii) as part of such Member's or its Affiliates reporting to their respective investors in the ordinary course of business, or in connection with such Member's or its Affiliates' normal fund raising, and marketing activities, in each case, consisting of (X) information about the investment, (Y) financial-related information and (Z) a general description of the Company's business and so long as any recipient of such information is subject to customary confidentiality obligations to such Member or Affiliate, (viii) to potential third-party purchasers of a Member's Units, or (ix) as part of general public disclosure made by Parent pursuant to applicable Canadian securities laws and consistent with its past practice. Each Member and the Company acknowledges and agrees that the certain of the Members and their respective Affiliates may currently be invested in, may invest in, or may consider investments in companies that compete either directly or indirectly with the Parent and its Subsidiaries, or operate in the same or similar business as the Parent and its Subsidiaries, and that nothing herein shall be in any way construed to prohibit or such Members or their respective Affiliates' ability to maintain, make or consider such other investments; provided, however, that no confidential information regarding the Company or the Company's Subsidiaries is used or disclosed in connection with such activities.

14.3 Entire Agreement. This Agreement and the Transaction Agreements, together with all Schedules hereto and all other agreements referenced herein and therein, shall constitute the entire agreement between the parties hereto relating to the subject matter hereof and supersedes all prior contracts, agreements, discussions and understandings between them. No course of prior dealings between the parties shall be relevant to supplement or explain any term used in this Agreement. Acceptance or acquiescence in a course of performance rendered under this Agreement shall not be relevant to determine the meaning of this Agreement even though the accepting or the acquiescing party has knowledge of the nature of the performance and an opportunity for objection. No provisions of this Agreement may be waived other than by an instrument in writing executed by the party effecting such waiver. No waiver of any terms or conditions of this Agreement in one instance shall operate as a waiver of any other term or condition or as a waiver in any other instance.

14.4 Supremacy. If during the term of this Agreement any of its provisions are found to conflict with any provision of any of the Transaction Agreements, the provisions of this Agreement shall prevail as among the parties and each such party shall, whenever necessary, exercise all voting and other rights (to the extent applicable) and powers available to such party to cause the amendment, waiver or suspension of the relevant provision of such Transaction Agreement to the extent necessary for the provisions of this Agreement to prevail.

14.5 Company Subsidiaries. Notwithstanding anything to the contrary in this Agreement, the obligations of the Company under this Agreement to cause any Company Subsidiary, if applicable, to take any action or refrain from taking any action shall continue only for so long and to the extent the Company has the legal capacity to do so by virtue of its direct or indirect ownership of such Company Subsidiary or otherwise.

14.6 Counterparts. This Agreement may be signed by facsimile, electronic signature or via email as a portable document format and in any number of counterparts with the same effect as if the signatures to each counterpart were upon a single instrument, and all such counterparts together shall be deemed an original of this Agreement. This Agreement shall become effective when, and only when, each party hereto shall have received a counterpart hereof signed by all of the other parties hereto.

14.7 Interpretation. The parties hereto acknowledge and agree that (a) each party hereto and its counsel reviewed and negotiated the terms and provisions of this Agreement and have contributed to its revision, (b) the rule of construction to the effect that any ambiguities are resolved against the drafting party shall not be employed in the interpretation of this Agreement and (c) the terms and provisions of this Agreement shall be construed fairly as to all parties hereto, regardless of which party was generally responsible for the preparation of this Agreement.

14.8 Severability. If any provision of this Agreement is held to be invalid or unenforceable for any reason, such provision shall be ineffective to the extent of such invalidity or unenforceability; provided, however, that the remaining provisions will continue in full force without being impaired or invalidated in any way. Otherwise, the Members agree to replace any invalid or unenforceable provision with a valid provision which most closely approximates the intent and economic effect of the invalid or unenforceable provision.

14.9 Governing Law. This Agreement and all matters, claims or actions (whether at law, in equity, in contract, in tort or otherwise) based upon, arising out of or relating to this Agreement or the negotiation, execution or performance of this Agreement, shall be interpreted and enforced in accordance with, and the respective rights and obligations of the parties shall be governed by, the Laws of the State of Delaware applicable to contracts executed in and to be performed entirely within that State, regardless of the Laws that might otherwise govern under any applicable conflict of Laws principles.

14.10 WAIVER OF JURY TRIAL. EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE IT HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY MATTER, CLAIM OR ACTION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT AND ANY OF THE AGREEMENTS DELIVERED IN CONNECTION HEREWITH OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (A) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF ANY MATTER, CLAIM OR ACTION, SEEK TO ENFORCE THE FOREGOING WAIVER, (B) IT UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF SUCH WAIVER, (C) IT MAKES SUCH WAIVER VOLUNTARILY AND (D) IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVER AND CERTIFICATIONS IN THIS SECTION 14.10.

14.11 Binding Effect. This Agreement shall be binding upon, and inure to the benefit of, the Members.

14.12 Additional Documents and Acts. Each Member agrees to execute and deliver such additional documents and instruments and to use its reasonable best efforts to perform such additional acts as may be reasonably necessary or appropriate under applicable Law to effectuate, carry out and perform all of the terms, provisions, and conditions of this Agreement and of the transactions contemplated hereby.

14.13 No Third-Party Beneficiary. This Agreement is made solely for the benefit of the parties hereto and no other person shall have any rights, interest, or claims hereunder or otherwise be entitled to any benefits under or on account of this Agreement as a third- party beneficiary or otherwise, except for the rights of the Covered Persons pursuant to Article XII, and the Member Related Parties pursuant to Section 14.14.

14.14 Non-Recourse. Notwithstanding anything to the contrary in this Agreement, (a) this Agreement may only be enforced against, and any action, dispute, claim, suit or other proceeding for breach of this Agreement may only be made against, the Persons that are expressly identified herein and/or are parties hereto, (b) none of (i) the former, current and future Affiliates, directors, officers, managers, employees, advisors, representatives, shareholders, members, managers, partners, successors and assigns of the Investor Members or any Affiliate thereof or any former, current and future Affiliate, director, officer, manager, employee, advisor, representative, shareholder, member, manager, partner, successor and assign of any of the foregoing (collectively, "**Investor Related Parties**") or (ii) the former, current and future Affiliates, directors, officers, managers, employees, advisors, representatives, shareholders, members, managers, partners, successors and assigns of the Parent Members or any Affiliate thereof or any former, current and future Affiliate, director, officer, manager, employee, advisor, representative, shareholder, member, manager, partner, successor and assign of any of the foregoing (together with the Investor Related Parties, the "**Member Related Parties**") shall have any liability for any liabilities or obligations of the parties hereto for any action, dispute, claim, suit or other proceeding (whether in tort, contract or otherwise) for breach of this Agreement or in respect of any representations made or alleged to be made in connection herewith, (c) the Company or any other Member or their respective Affiliates shall have no rights of recovery in respect hereof against any Member Related Party and (d) no personal liability shall attach to any Member Related Party through the Members or otherwise, whether by or through attempted piercing of the corporate veil, by or through an action, dispute, claim, suit or other proceeding (whether in tort, contract or otherwise), by the enforcement of any judgment, fine or penalty or by virtue of any statute, regulation or other applicable Law, or otherwise; provided that, for the avoidance of doubt, nothing in this Section 14.14 shall restrict or limit the rights or obligations of a Person under any other Transaction Agreement to which such Person is a party.

14.15 Successors and Assigns. This Agreement is personal to the parties hereto and shall not be capable of assignment; it being understood that the foregoing shall not be read to limit any Transfer pursuant to and in accordance with Article IX. All the terms and provisions of this Agreement shall inure to the benefit of and be binding upon each of the parties hereto and their respective successors and permitted transferees, if any.

14.16 Jurisdiction; Service of Process. All matters, claims or actions arising out of or relating to this Agreement shall be heard and determined in the Chancery Court of the State of Delaware (or, if the Chancery Court of the State of Delaware declines to accept jurisdiction over any matter, claim or action, any state or federal court within the State of Delaware) and appellate courts therefrom and the parties hereto hereby irrevocably submit to the exclusive jurisdiction and venue of such courts in any such matter, claim or action and irrevocably waive the defense of an inconvenient forum or lack of jurisdiction to the maintenance of any such matter, claim or action. The consents to jurisdiction and venue set forth in this Section 14.16 shall not constitute general consents to service of process in the State of Delaware, shall have no effect for any purpose except as provided in this Section 14.16 and shall not be deemed to confer rights on any Person other than the parties hereto. Each party hereto agrees that service of process upon such party in any matter, claim or action arising out of or relating to this Agreement shall be effective if notice is given by overnight courier at the address set forth in Section 14.1 of this Agreement. The parties hereto agree that a final judgment in any such matter, claim or action shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by applicable Law; provided that, nothing in the foregoing shall restrict any party's rights to seek any post-judgment relief regarding, or any appeal from, a final trial court judgment.

14.17 Specific Performance. The Company and each Member hereby confirm that damages at law would be an inadequate remedy for a breach or threatened breach of this Agreement and agree that, in the event of a breach or threatened breach of any provision hereof, the respective rights and obligations hereunder shall be enforceable by specific performance, injunction or other equitable remedy sought in a court of competent jurisdiction, but nothing herein contained is intended to, nor shall it, limit or affect any right or rights at law or by statute or otherwise of the Company or a Member aggrieved as against the Company or another Member for a breach or threatened breach of any provision hereof, it being the intention by this Section to make clear the agreement of the Company and the Members that the respective rights and obligations of the Company and the Members hereunder shall be enforceable in equity as well as at law or otherwise and that the mention herein of any particular remedy shall not preclude the Company or a Member from seeking any other remedy it or he might have, either in law or in equity.

14.18 Liability of Holders; Several Obligations.

(a) The obligations of the Holders hereunder are several, and not joint.

(b) In furtherance and not in limitation of Section 4.7, no Holder shall have (i) any liability to any other Holder for any vote, consent, approval or decision taken or not taken by it, or given or not given by it, under this Agreement or (ii) any fiduciary duties or responsibilities to any other Holders hereunder, and no implied covenants, functions, responsibilities, duties, obligations or liabilities to any other Holders shall otherwise exist hereunder.

[SIGNATURE PAGES FOLLOWS]

IN WITNESS WHEREOF this Agreement has been executed by the parties on the date first written above.

THE REAL BROKERAGE INC.

By: *signed "Tamir Poleg"*
Name: Tamir Poleg
Title: Chief Executive Officer

REAL PIPE, LLC

By: *signed "Michelle Ressler"*
Name: Michelle Ressler
Title: Manager

INVESTORS:

INSIGHT PARTNERS XI, L.P.

By: Insight Associates XI, L.P., its general partner
By: Insight Associates XI, Ltd., its general partner

By: *signed "Andrew Prodromos"*
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS (CAYMAN) XI, L.P.

By: Insight Associates XI, L.P., its general partner
By: Insight Associates XI, Ltd., its general partner

By: *signed "Andrew Prodromos"*
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS XI (CO-INVESTORS), L.P.

By: Insight Associates XI, L.P., its general partner
By: Insight Associates XI, Ltd., its general partner

By: *signed "Andrew Prodromos"*
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS XI (CO-INVESTORS) (B), L.P.

By: Insight Associates XI, L.P., its general partner
By: Insight Associates XI, Ltd., its general partner

By: *signed "Andrew Prodromos"*
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS (DELAWARE) XI, L.P.

By: Insight Associates XI, L.P., its general partner
By: Insight Associates XI, Ltd., its general partner

By: *signed "Andrew Prodromos"*
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS (EU) XI, S.C.Sp.

By: Insight Associates (EU) XI, S.a.r.l., its general partner

By: *signed "Andrew Prodromos"*
Name: Andrew Prodromos
Title: Authorized Officer

SCHEDULE A
MEMBERSHIP INTERESTS

Shareholder	Securities		Issue Date	Cost
	Designation	**Quantity**		
The Real Brokerage Inc.	Common Units	1000	2020/11/6	USD $1000
Insight Partners XI, L.P.	Preferred Units	7,187,947	2020/12/2	CAD$7,935,493.49
Insight Partners XI (Co- Investors), L.P.	Preferred Units	119,693	2020/12/2	CAD $132,141.07
Insight Partners XI (Co- Investors) (B), L.P.	Preferred Units	164,970	2020/12/2	CAD $182,126.88
Insight Partners (Cayman) XI, L.P.	Preferred Units	7,874,762	2020/12/2	CAD $8,693,737.25
Insight Partners (Delaware) XI, L.P.	Preferred Units	1,005,470	2020/12/2	CAD $1,110,038.88
Insight Partners (EU) XI, S.C.Sp.	Preferred Units	934,000	2020/12/2	CAD $1,031,136.00

SCHEDULE B
DIRECTORS AND OFFICERS

Michelle Ressler - Manager

Execution Version

THE REAL BROKERAGE INC.

and

REAL PIPE, LLC

and

INSIGHT PARTNERS XI, L.P.

and

INSIGHT PARTNERS (CAYMAN) XI, L.P.

and

INSIGHT PARTNERS XI (CO-INVESTORS), L.P.

and

INSIGHT PARTNERS XI (CO-INVESTORS) (B), L.P.

and

INSIGHT PARTNERS (DELAWARE) XI, L.P.

and

INSIGHT PARTNERS (EU) XI, S.C.Sp.

INVESTOR RIGHTS AGREEMENT

December 2, 2020

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INVESTOR RIGHTS AGREEMENT

THIS AGREEMENT made the 2nd day of December, 2020, among Insight Partners XI, L.P., a limited partnership existing under the laws of the Cayman Islands, Insight Partners (Cayman) XI, L.P., a limited partnership existing under the laws of the Cayman Islands, Insight Partners XI (Co-Investors), L.P., a limited partnership existing under the laws of the Cayman Islands, Insight Partners XI (Co-Investors) (B), L.P., a limited partnership existing under the laws of the Cayman Islands, Insight Partners (Delaware) XI, L.P., a limited partnership existing under the laws of the State of Delaware, Insight Partners (EU) XI, S.C.Sp., a special limited partnership existing under the laws of Luxembourg, (collectively, hereinafter referred to as the "**Investors**"), The Real Brokerage Inc., a corporation existing under the laws of the Province of British Columbia, (hereinafter referred to as "**Real**") and Real PIPE, LLC, a limited liability company existing under the laws of the State of Delaware, (hereinafter referred to as the "**Issuer**").

WHEREAS, as of the date hereof, none of the Investors beneficially owns or controls any Common Shares (as defined below);

AND WHEREAS Real, the Issuer and the Investors have entered into a securities subscription agreement dated as of the date hereof (the "**Subscription Agreement**") pursuant to which the Investors agreed to subscribe for the Purchased Securities (as defined below);

AND WHEREAS in connection with the sharing of Confidential Information (as defined below) and the Investors' information rights pursuant to Section 4.6 herein, respectively, the investment by each Investor and the continuing involvement of the Investors and Investors' Affiliates (as defined below) in the business and affairs of Real and its Subsidiaries (as defined below) is considered to be strategic to the business and affairs of Real and its Subsidiaries;

AND WHEREAS in connection with the Investors' subscription pursuant to the Subscription Agreement, each of the Issuer and Real has agreed to grant certain rights set out herein to the Investors, on the terms set out herein;

NOW THEREFORE THIS AGREEMENT WITNESSES THAT, in consideration of the respective covenants and agreements of the parties herein contained and for other good and valuable consideration (the receipt and sufficiency of which are acknowledged by each party), the parties agree as follows:

ARTICLE 1

Section 1.1 Defined Terms

For the purposes of this Agreement, the following terms shall have the respective meanings set out below and grammatical variations of such terms shall have corresponding meanings:

"**Accrued Distributions**" means the distributions that have accrued in connection with the Preferred Units in accordance with the LLC Agreement;

"**Act**" means the *Business Corporations Act* (British Columbia);

"**Affiliate**" means a Person that directly, or indirectly through one or more intermediaries, controls or is controlled by, or is under common control with, the Person specified; provided, however, that Real and its Subsidiaries shall not be deemed to be Affiliates of any of the Investors or any of their respective Affiliates. For the purposes of this definition, "**control**" when used with respect to any Person, means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract, or otherwise;

"**Applicable Stock Exchange**" means any Canadian or United States nationally recognized stock exchange on which Real's Common Shares are listed or on which Real has applied or does apply to list the Common Shares;

"**Approved Change of Control Transaction**" means a proposed Change of Control Transaction which has been approved by a majority of the independent members of the Board of Directors and, if applicable, publicly recommended for acceptance or approval by shareholders of Real by the Board of Directors;

"**As-Exchanged Ownership**" means, as at any date, with respect to a Person the aggregate interest of such Person and its Affiliates calculated as a percentage, (a) the numerator of which shall be the sum of (i) the number of Exchange Common Shares for which the Preferred Units beneficially owned or controlled by such Person and its Affiliates at the relevant date are exchangeable, plus (ii) the number of Common Shares beneficially owned or controlled by such Person and its Affiliates, including as a result of the exchange of the Preferred Units, or exercise of the Warrants or the Participation Right, at the relevant date (including any Common Shares underlying any Convertible Securities beneficially owned or controlled by such Person or its Affiliates as a result of exercise of the Participation Right); and (b) the denominator of which shall be the sum of the number of Common Shares issued and outstanding as at such relevant date plus the number of Exchange Common Shares for which the Preferred Units beneficially owned or controlled by such Person and its Affiliates at the relevant date are exchangeable;

"**Base Shelf Prospectus**" has the meaning ascribed thereto in National Instrument 44- 102 – Shelf Distributions;

"**Beneficial Ownership Requirement**" means, as at any date, that the Investors and their Affiliates beneficially own or control, directly and/or indirectly, in the aggregate, (a) such number of Preferred Units, Warrants and/or Common Shares (including Common Shares owned or controlled as a result of the exchange of any Preferred Units or the exercise of any Warrants or the Participation Right) that is equal to at least 2% of the number of Common Shares issued and outstanding as at such relevant date, or (b) Preferred Units, Warrants and/or Common Shares (including Common Shares owned or controlled as a result of the exchange of any Preferred Units, or the exercise of any Warrants or the Participation Right) with a Fair Market Value that is equal to at least $10 million as at such relevant date; for the avoidance of doubt, the calculations in each of (a) and (b) will be calculated as if any such Preferred Units and/or Warrants beneficially owned or controlled by the Investors or any of its Affiliates as at the relevant date had been exchanged and/or exercised for Exchange Common Shares in accordance with the terms of the Exchange Agreement and the LLC Agreement or the Warrant Certificate, as applicable, immediately prior to such relevant date, and in respect of (b), the Beneficial Ownership Requirement will only be considered not to be satisfied when the Fair Market Value of such securities is below the threshold for a period of 30 consecutive trading days;

"**Board of Directors**" or "**Board**" means the board of directors of Real;

"**Business Day**" means any day, other than (a) a Saturday, Sunday or statutory holiday in the Province of Ontario or the State of New York or (b) a day on which banks are generally closed in the Province of Ontario or the State of New York;

"**Business Opportunities Exempt Party**" has the meaning given to such term in Section 2.1(9);

"**Canadian Securities Acts**" means the applicable securities legislation of each of the provinces and territories of Canada and all published regulations, policy statements, Orders, rules, instruments, rulings and interpretation notes issued thereunder or in relation thereto, as the same may hereafter be amended from time to time or replaced;

"**Canadian Securities Commissions**" means the securities commissions or similar securities regulatory authorities in each of the provinces and territories of Canada;

"**Change of Control Transaction**" shall mean the occurrence of any of the following:

(a) (i) the direct or indirect sale, lease, transfer, conveyance or other disposition, in one or a series of related transactions, of all or substantially all of the properties or assets of Real and its Subsidiaries, taken as a whole, to any Person (other than to Real or to any wholly-owned Subsidiary of Real), or (ii) a plan or scheme of arrangement, merger, amalgamation, consolidation, share sale or other transaction or series of related transactions, in which all or substantially all of the Common Shares are exchanged for, converted into, acquired for, or constitute solely the right to receive, other securities, cash or other property, that would result in the Persons who beneficially own, directly or indirectly, 100% of the issued and outstanding Common Shares (including any Common Shares or other voting shares of Real that would be beneficially owned by such Persons on an as- converted, as-exercised or as-exchanged basis) as of immediately prior to such transaction ceasing to beneficially own, directly or indirectly, at least a majority of the outstanding Common Shares or outstanding common equity securities of the surviving entity (including any Common Shares, common equity securities or voting shares that would be beneficially owned by such Persons on an as- converted, as-exercised or as-exchanged basis) immediately following the completion of such transaction or series of related transactions; or

(b) the consummation of any transaction or series of related transactions (including pursuant to a merger, amalgamation or consolidation), the result of which is that any Person, including any Persons acting jointly or in concert with such Person, becomes the beneficial owner, directly or indirectly, of shares of Real's common equity representing more than 50% of the voting power of all of Real's then- outstanding common equity (including any common equity beneficially owned by such Person on an as-converted, as-exercised or as-exchanged basis);

"**Code**" means the Internal Revenue Code of 1986, as amended;

"**Common Shares**" means the common shares in the capital of Real;

"**Confidential Information**" means, subject to Section 4.5(4), any and all information, in any form or medium, written or oral, whether concerning or relating to Real, its Subsidiaries, or its and their respective officers and employees (whether prepared by Real

or on behalf of Real or otherwise, and irrespective of the form or means of communication) that is furnished to the Investors or their Representatives by or on behalf of Real at any time, whether before, upon or after the execution of this Agreement, including all oral and written information relating to financial statements, projections, evaluations, plans, programs, customers, suppliers, facilities, equipment and other assets, products, processes, manufacturing, marketing, research and development, trade secrets, know- how, patent applications that have not been published, technology and intellectual property of Real and its Subsidiaries. "**Confidential Information**" shall be deemed to include the portion of all notes, analyses, studies, interpretations, memoranda and other documents, material or reports (in any form or medium) prepared by the Investors and their Representatives that contain, reflect or are based upon, in whole or part, the information furnished to or on behalf of Real;

"**Convertible Securities**" means securities which are exercisable for, convertible into or exchangeable for Common Shares;

"**Exchange Agreement**" means the exchange and support agreement entered into among the Investors, Real and the Issuer on the date hereof as amended, supplemented, restated, converted, exchanged or replaced from time to time;

"**Exchange Common Shares**" means the Common Shares issuable or deliverable to the Investors upon exchange and/or exercise of the Purchased Securities in accordance with the Exchange Agreement and the LLC Agreement or the terms of the Warrant Certificate, as applicable;

"**Exempt Issuance**" means the issuance by Real of Common Shares or Convertible Securities: (a) as full or partial consideration to any third party sellers in connection with any merger, business combination or similar transaction, tender offer, exchange offer, formal take-over bid, statutory amalgamation, statutory arrangement or other statutory procedure, or purchase of the securities or assets of a corporation or other entity (but, for the avoidance of doubt, not including any equity financing transaction undertaken for the purpose of funding any cash consideration payable in connection with any merger, business combination or similar transaction, tender offer, exchange offer, formal take-over bid, statutory amalgamation, statutory arrangement or other statutory procedure, or purchase of the securities or assets of a corporation or other entity); (b) pursuant to a rights offering by Real to all of its securityholders; (c) upon the exercise, exchange or conversion of any Convertible Securities that were issued as part of a Subsequent Offering that was offered to the Investors in accordance with Section 3.1, to the extent required by that section; (d) pursuant to employee, officer, consultant, advisor, director or advisory board compensation arrangements, including stock option or other equity based compensation plans, in each case, that have been approved by the Board of Directors; (e) as a result of the consolidation or subdivision of any securities of Real or its Subsidiaries, or as special distributions, stock dividends or payments in kind or similar transaction; (f) pursuant to a shareholder rights plan approved by a majority of the disinterested members of the Board of Directors; or (g) to the Investors or their Affiliates.

"**Exercise Notice**" has the meaning given to such term in Section 3.1(3);

"**Exercise Notice Period**" has the meaning given to such term in Section 3.1(3);

"**Extraordinary Transaction**" has the meaning given to such term in Section 4.2(1)(c);

"**Fair Market Value**" means the closing price of the Common Shares on the Applicable Stock Exchange on the trading day immediately preceding the relevant date. If the Common Shares are trading on more than one Applicable Stock Exchange, then the price information used to determine the Fair Market Value shall be the price information in respect of the Applicable Stock Exchange on which the aggregate trading volume was the highest as of such date;

"**Governmental Entity**" means any domestic or foreign federal, provincial, regional, state, municipal, local or other government, governmental department, agency, arbitrator, authority or body (whether administrative, legislative, executive or otherwise), court, tribunal, commission or commissioner, bureau, minister or ministry, board or agency, or other regulatory or self-regulatory authority, including any securities regulatory authorities and stock exchange including any Applicable Stock Exchange and any other exchange on which the securities of Real are listed or posted for trading;

"Guarantee Agreement" means guarantee agreement dated the date hereof among Real and the Investors;

"**IFRS**" means International Financial Reporting Standards;

"**Investors**" has the meaning given to such term in the recitals hereto;

"**Investor Group**" has the meaning given to such term in Section 5.10;

"**Investor Members**" means (a) the Investors, (b) any Affiliate of any Investor that, after the date hereof, acquires Registrable Shares, Preferred Units or Warrants in accordance with the terms hereof, and (c) any other transferee of any of the foregoing Persons to whom Preferred Units are distributed or transferred in accordance with Section 4.3 or to whom Registrable Shares or Warrants are distributed or transferred, in each case of this clause (c) to the extent such transferee is a permitted assignee pursuant to Section 5.3;

"**Investor Nominee**" has the meaning given to such term in Section 2.1(1);

"**Investor Related Parties**" has the meaning given to such term in Section 5.9;

"**Issuer**" has the meaning given to such term in the recitals hereto;

"**Laws**" means any and all federal, state, provincial, regional, national, foreign, local, municipal or other laws, statutes, acts, treaties, constitutions, principles of common law, resolutions, ordinances, proclamations, directives, codes, edicts, Orders, rules, regulations, rulings or requirements or other legally binding directives or guidance issued, enacted, adopted, promulgated, implemented or otherwise put into effect by or under the authority of any Governmental Entity and includes Securities Laws;

"**Liquidation**" means, in respect of an entity, a liquidation, winding up or dissolution of such entity;

"**LLC Agreement**" means the amended and restated limited liability company agreement of the Issuer, dated as of the date hereof, as amended, supplemented, restated, converted, exchanged or replaced from time to time;

"**Management Nominees**" has the meaning given to such term in Section 2.1(2);

"**MI 61-101**" means Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*;

"**Nomination Conditions**" has the meaning given to such term in Section 2.1(1);

"**NP 51-201**" means National Policy 51-201 – *Disclosure Standards*;

"**Order**" means any judgment, decision, decree, injunction, ruling, writ, assessment or order of any Governmental Entity that is binding on any Person or its property under applicable Law;

"**Ownership Certificate**" has the meaning given to such term in Section 4.4;

"**Participation Right**" has the meaning given to such term in Section 3.1(2);

"**Permitted Transferee**" means with respect to any Person (i) any family member of such Person and (ii) any Affiliate of such Person (including any partner, shareholder, member of Affiliated investment fund or vehicle of such Person).

"**Person**" means and includes any individual, corporation, limited partnership, general partnership, joint stock company, limited liability company, joint venture, association, company, trust, bank, trust company, pension fund, business trust or other organization, whether or not a legal entity and any Governmental Entity;

"**PFIC**" has the meaning given to such term in Section 4.8;

"**Preferred Units**" means the Preferred Units of the Issuer having the powers, preferences, rights, qualifications, limitations and restrictions set forth in the LLC Agreement;

"**Prospectus**" means, as the context requires, a "**preliminary prospectus,**" "**amended and restated preliminary prospectus**" and a "**final prospectus**" as those terms are used in the applicable *Canadian Securities Act* and a Prospectus Supplement (together with the corresponding Base Shelf Prospectus), including all amendments and supplements thereto;

"**Prospectus Supplement**" has the meaning ascribed to "shelf prospectus supplement" in National Instrument 44-102 – *Shelf Distributions*;

"**Purchased Securities**" means the 17,286,842 Preferred Units and the 17,286,842 Warrants issued to the Investors pursuant to the Subscription Agreement;

"**Real**" has the meaning given to such term in the recitals hereto;

"**Registrable Shares**" means any Common Shares that any Investor Member has acquired or has the right to acquire upon exchange or exercise, as applicable, of the Purchased Securities or upon the exercise of the Participation Right; provided that all Common Shares directly or indirectly issued or issuable with respect to any of the foregoing by way of share dividend or share split or in connection with a combination of shares, recapitalization, merger, consolidation or other reorganization shall also be deemed Registrable Shares;

"**Registration**" means the qualification under U.S. Securities Laws or any of the Canadian Securities Acts of the distribution of Registrable Shares, as a secondary offering, to the public (a) in any or all of the states of the United States pursuant to a registration statement in compliance with U.S. Securities Laws, or (b) in any or all of the provinces and territories of Canada pursuant to a Prospectus in compliance with the Canadian Securities Acts;

"**Registration Rights Agreement**" means the registration rights agreement dated as of the date hereof among Real, the Issuer and the Investors;

"**Reporting Jurisdictions**" means the Provinces of British Columbia, Ontario and Alberta;

"**Representatives**" means the directors, officers, general and current or prospective limited partners, managers, members, employees, advisors, agents, insurers (including brokers and re- insurers), equityholders, actual or potential sources of debt or equity financing and other representatives (including attorneys, accountants, consultants and financial advisors), in each case, of the Investors and their Affiliates, any Investor Nominee and, solely with respect to Section 4.5, any *bona fide* prospective purchaser of Registrable Shares, Preferred Units or Warrants;

"**Restricted Period**" means the period beginning on the date hereof and terminating on the date that is the first anniversary of the date hereof;

"**Securities Laws**" means the Canadian Securities Acts, the U.S. Securities Act and the U.S. Exchange Act;

"**Standstill Period**" means the period beginning on the date hereof and terminating on the later to occur of: (a) the date that is 12 months after the date hereof; and (b) the date on which no Investor Nominee serves as a director on the Board of Directors;

"**Subscription Agreement**" has the meaning given to such term in the recitals hereto;

"**Subsequent Offering**" has the meaning given to such term in Section 3.1(1);

"**Subsequent Offering Notice**" has the meaning given to such term in Section 3.1(1);

"**Subsidiary**" means, as to any Person, any corporation or other entity of which: (a) such Person or a Subsidiary of such Person is a general partner or, in the case of a limited liability company, the managing member or manager thereof; (b) at least a majority of the outstanding equity interest having by the terms thereof ordinary voting power to elect a majority of the board of directors or similar governing body of such corporation or other entity (irrespective of whether or not at the time any equity interest of any other class or classes of such corporation or other entity shall have or might have voting power by reason of the happening of any contingency) is at the time directly or indirectly owned or controlled by such Person or one or more of its Subsidiaries; or (c) any corporation or other entity as to which such Person consolidates for accounting purposes;

"**Termination Date**" has the meaning given to it in Section 2.2;

"**Transaction Agreements**" means this Agreement, the LLC Agreement, the Subscription Agreement, the Exchange Agreement, the Guarantee Agreement, the Registration Rights Agreement and the Warrant Certificate;

"**Transfer**" includes any direct or indirect transfer, sale, assignment, gift, pledge, encumbrance, hypothecation, mortgage, granting of any option, right or warrant to purchase (including any short sale, put option or call option) or other disposition; provided that, notwithstanding the foregoing, neither (i) any direct or indirect Transfer of a partnership interest in a private equity or similar investment fund that, when aggregated with its parallel funds and alternative investment vehicles, is established to make investments in multiple portfolio companies and not primarily to invest in Parent nor (ii) a direct or indirect transfer, sale, pledge, hedge, encumbrance or hypothecation or other disposition, or legally binding agreement to undertake any of the foregoing, of any interest in any Investor, shall constitute a "**Transfer**" for purposes of this Agreement;

"**United States**" means the United States of America, its territories and possessions, any State of the United States, and the District of Columbia;

"**U.S. Exchange Act**" means the United States Securities Exchange Act of 1934;

"**U.S. Securities Act**" means the United States Securities Act of 1933;

"**U.S. Securities Laws**" means the U.S. Exchange Act and the U.S. Securities Act;

"**Warrant Certificate**" means the warrant certificates dated as of the date hereof among Real and the Investors;

"**Warrants**" means the Warrants of Real having the rights and restrictions set forth in the Warrant Certificate.

Section 1.2 Defined Terms in the LLC Agreement

Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to such terms in the LLC Agreement as in effect on the date hereof.

Section 1.3 Rules of Construction

Except as may be otherwise specifically provided in this Agreement and unless the context otherwise requires, in this Agreement:

(a) the terms "Agreement", "this Agreement", "the Agreement", "hereto", "hereof", "herein", "hereby", "hereunder" and similar expressions refer to this Agreement in its entirety and not to any particular provision hereof and include any schedules or exhibits thereto;

(b) references to an "Article" or "Section" followed by a number or letter refer to the specified Article or Section to this Agreement;

(c) the division of this Agreement into articles and sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement;

(d) words importing the singular number only shall include the plural and vice versa and words importing the use of any gender shall include all genders;

(e) the word “including” is deemed to mean “including without limitation”;

(f) the terms “party” and “the parties” refer to a party or the parties to this Agreement;

(g) any reference to this Agreement means this Agreement as amended, modified, replaced or supplemented from time to time;

(h) any reference to a statute, regulation or rule shall be construed to be a reference thereto as the same may from time to time be amended, re-enacted or replaced, and any reference to a statute shall include any regulations or rules made thereunder;

(i) all dollar amounts refer to currency of Canada;

(j) the word “day” means calendar day unless Business Day is expressly specified;

(k) any time period within which a payment is to be made or any other action is to be taken hereunder shall be calculated excluding the day on which the period commences and including the day on which the period ends; and

(l) whenever any action is required to be taken or period of time is to expire on a day other than a Business Day, such action shall be taken or period shall expire on the next following Business Day.

Section 1.4 Entire Agreement

The Transaction Agreements constitute the entire agreement between the parties with respect to the subject matter hereof and thereof and supersede all prior agreements, understandings, negotiations and discussions, whether written or oral. There are no conditions, covenants, agreements, representations, warranties or other provisions, express or implied, collateral, statutory or otherwise, relating to the subject matter hereof except as provided in the Transaction Agreements.

Section 1.5 Time of Essence

Time shall be of the essence of this Agreement.

Section 1.6 Governing Law and Submission to Jurisdiction

(1) This Agreement and all matters, claims or actions (whether at law, in equity, in contract, in tort or otherwise) based upon, arising out of or relating to this Agreement or the negotiation, execution or performance of this Agreement, shall be interpreted and enforced in accordance with, and the respective rights and obligations of the parties shall be governed by, the laws of the State of Delaware applicable to contracts executed in and to be performed entirely within that State, regardless of the Laws that might otherwise govern under any applicable conflict of Laws principles.

(2) All matters, claims or actions arising out of or relating to this Agreement shall be heard and determined in the Chancery Court of the State of Delaware (or, if the Chancery Court of the State of Delaware declines to accept jurisdiction over any matter, claim or action, any state or federal court within the State of Delaware) and appellate courts therefrom and the parties hereto hereby irrevocably submit to the exclusive jurisdiction and venue of such courts in any such matter, claim or action and irrevocably waive the defense of an inconvenient forum or lack of jurisdiction to the maintenance of any such matter, claim or action. The consents to jurisdiction and venue set forth in this Section 1.6(2) shall not constitute general consents to service of process in the State of Delaware, shall have no effect for any purpose except as provided in this Section 1.6(2) and shall not be deemed to confer rights on any Person other than the parties hereto. Each party hereto agrees that service of process upon such party in any matter, claim or action arising out of or relating to this Agreement shall be effective if notice is given by overnight courier, with a copy by e-mail, at the address set forth in Section 5.1 of this Agreement. The parties hereto agree that a final judgment in any such matter, claim or action shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by applicable Law; provided that, nothing in the foregoing shall restrict any party's rights to seek any post-judgment relief regarding, or any appeal from, a final trial court judgment.

(3) EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE IT HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY MATTER, CLAIM OR ACTION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT AND ANY OF THE AGREEMENTS DELIVERED IN CONNECTION HEREWITH OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (A) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF ANY MATTER, CLAIM OR ACTION, SEEK TO ENFORCE THE FOREGOING WAIVER, (B) IT UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF SUCH WAIVER, (C) IT MAKES SUCH WAIVER VOLUNTARILY AND (D) IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVER AND CERTIFICATIONS IN THIS SECTION 1.6(3).

Section 1.7 Severability

If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, all other provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party hereto. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties hereto as closely as possible in an acceptable manner to the end that transactions contemplated hereby are fulfilled to the extent possible.

Section 1.8 Certain Terminology

For the purposes of this Agreement, the terms and phrases "acting jointly or in concert", "beneficial ownership", "take-over bid" and "issuer bid" (or grammatical variations thereof) shall have the meanings given to them under applicable Canadian Securities Acts and "take-over bid" shall include a tender offer or exchange offer conducted pursuant to applicable U.S. Securities Laws.

ARTICLE 2
BOARD NOMINATION RIGHTS

Section 2.1 Board of Directors Nominees

(1) Subject to Section 2.2, the Investors (acting together) shall be entitled to designate one nominee (an "**Investor Nominee**") for appointment or election to the Board of Directors, for so long as the Beneficial Ownership Requirement is satisfied. The Investor Nominee must be an individual who meets the qualification requirements to serve as a director under the Act, applicable Laws and the rules of the Applicable Stock Exchange (the "**Nomination Conditions**") and must be acceptable to the Board of Directors, acting reasonably. The parties acknowledge that the size of the Board of Directors has been increased to five as of date hereof. The parties also acknowledge that the initial Investor Nominee is AJ Malhotra, who has been determined to be acceptable to the Board of Directors and has been appointed to the Board of Directors, in each case as of the date hereof. Notwithstanding anything to the contrary in this Agreement, if at any time (a) an Investor Nominee ceases to satisfy any of the Nomination Conditions; or (b) the Beneficial Ownership Requirement is no longer satisfied, the Investors shall, at the request of Real, cause the Investor Nominee to tender his or her resignation from the Board of Directors. As a condition to the appointment of an Investor Nominee to the Board of Directors pursuant to this Section 2.1(1), the Investors shall, and shall cause such Investor Nominee to, provide Real, prior to such appointment and nomination and on an on-going basis while serving as a member of the Board of Directors an executed irrevocable resignation in substantially the form attached as Exhibit A hereto, as well as such information and materials as Real is entitled to receive from a member of its Board of Directors and as are required to be disclosed in any management information circular of Real to be sent to securityholders of Real under applicable Laws or Applicable Stock Exchange rules or as Real may request from time-to-time from members of the Board of Directors in compliance with its internal policies and procedures including, an executed consent to serve as a director of Real, a completed directors' questionnaire in the form provided by Real and a completed personal information form.

(2) Real shall and shall cause its Representatives to use their reasonable best efforts to ensure that the Investor Nominee is appointed or elected to the Board of Directors, including by (i) recommending and reflecting such recommendation in any management information circular relating to any meeting where directors of Real are elected (or submit to shareholders by written consent, if applicable) that the shareholders of Real vote to elect the Investor Nominee to the Board of Directors for a term of office expiring at the earlier of when the Investor Nominee ceases to hold office under Section 128(1) of the Act and the closing of the subsequent annual meeting of the shareholders of Real; and (ii) soliciting and obtaining proxies in favour of and otherwise supporting his or her election, each in a manner no less rigorous and favourable than the manner in which Real supports its own nominees selected by the Board of Directors (the "**Management Nominees**") for election to the Board of Directors.

(3) The Investors shall advise Real of the identity of the Investor Nominee by the earlier of (i) at least 60 days prior to any meeting of shareholders at which directors of Real are to be elected or (ii) within 10 days of being notified of the record date for such a meeting. If the Investors do not advise Real of the identity of an Investor Nominee prior to such deadline, then the Investors will be deemed to have nominated its incumbent nominee unless the Investors notify Real in writing that it does not wish to nominate an Investor Nominee for such election.

(4) In the event that an Investor Nominee is not duly appointed or elected to the Board of Directors or shall cease to serve as a director of Real, whether due to such Investor Nominee's death, disability, resignation or removal (including failure to be elected by Real's shareholders or being required to resign), Real shall cause the Board of Directors to promptly appoint an Investor Nominee designated by the Investors to fill the vacancy created by such death, disability, resignation or removal, or, where the first Investor Nominee was not duly elected, to promptly increase the size of the Board of Directors and fill the vacancy thereby with an Investor Nominee, provided that the Investors remain eligible to designate an Investor Nominee in accordance with Section 2.1(1) and that the replacement Investor Nominee meets the qualification requirements to serve as a director under the Act and the rules of the Applicable Stock Exchange.

(5) Without limitation of Section 2.1(7), the Investor Nominee shall be reimbursed for all reasonable out-of-pocket expenses incurred while and in connection with such Investor Nominee's services as a member of Board of Directors, and, except to the extent the Investors may otherwise notify Real, the Investor Nominee shall be entitled to compensation consistent with the compensation received by other non-employee members of the Board of Directors, including any director fees and equity awards provided, that (x) to the extent any director compensation is payable in the form of equity awards at the election of the Investor Nominee, in lieu of any equity award, such compensation shall be paid in an amount of cash equal to the value of the equity award as of the date of the award, with any such cash subject to the same vesting terms, if any, as the equity awarded to other directors and (y) at the election of the Investor Nominee, any director compensation (whether cash, equity awards and/or cash in lieu of equity as may be designated by the Investor Nominee) shall be paid to the Investors or any Affiliate thereof specified by the Investors rather than to the Investor Nominee. If Real adopts a policy that directors are required to own a minimum amount of equity in Real in order to qualify as a director of Real, then the securities of Real that are held by the Investors and their Affiliates will be deemed to be held by the Investor Nominee for purposes of such policy.

(6) It is acknowledged by the Investors that the Investor Nominee will be required to comply with all of Real's policies, procedures, processes, codes, rules, standards and guidelines of Real that are provided to the Investor Nominee in writing and that are generally applicable to all members of the Board of Directors from time to time, including Real's confidentiality policies and procedures, code of business conduct and ethics, insider trading policies and corporate governance guidelines.

(7) The Investor Nominee shall be entitled to the same rights and privileges and shall be subject to the same obligations applicable to all other members of the Board of Directors generally or to which all such members of the Board of Directors are entitled or subject; provided, however, that such Investor Nominee shall not be entitled to participate in or observe, and shall upon the good faith request of the Board of Directors or any such committee recuse himself or herself from, any meeting or portion thereof at which the Board of Directors or any such committee is evaluating and/or taking action with respect to Real's rights or enforcement of any of the obligations of the Investors under this Agreement or any transactions involving the Investor and/or any of its Affiliates. In furtherance of the foregoing, Real shall enter into an indemnification agreement with the Investor Nominee in a form substantially similar to Real's form of director indemnification agreement and provide the Investor Nominee with director and officer insurance to the same extent it indemnifies and provides insurance for the other members of the Board of Directors pursuant to the constating documents of Real, applicable Laws or otherwise. Real shall maintain in effect any such director and officer insurance in accordance with past practice and comparable with peer companies in the same industry. Real acknowledges and agrees that it shall be the indemnitor of first resort with respect to any indemnification, advancement of expenses and/or insurance provided for in Real's constating documents and/or any indemnification agreement entered into between Real and the Investor Nominee, as applicable (such that Real's obligations to such indemnitee are primary).

(8) So long as the Investors are entitled to designate an Investor Nominee, the prior written consent of the Investors shall be required to adopt any additional qualifications of a director to be imposed upon an Investor Nominee, other than those required by the Act, applicable Law, Real's constating documents and Applicable Stock Exchange rules as in effect on the date hereof or those generally applicable to all directors.

(9) To the maximum extent permitted by Law, Real renounces any interest or expectancy in, or any right to be offered an opportunity to participate in, business opportunities or classes or categories of business opportunities that are developed by or presented to (a) the Investors, (b) any of their respective Affiliates (including their respective investors and equityholders, and any associated Persons or investment funds or any of their respective portfolio companies or investments), (c) any of their respective officers, managers, directors, agents, shareholders, members and partners, including any such Person acting as Investor Nominee at the request of such Investor (the "**Business Opportunities Exempt Party**"), even if the opportunity is one that Real or any of its Subsidiaries might reasonably be deemed to have pursued or had the ability or desire to pursue if granted the opportunity to do so, and the Business Opportunities Exempt Party shall not have any duty to communicate or offer such business opportunity to Real or any of Real's Affiliates.

(10) Subject to applicable legal requirements, including the financial expertise and independence requirements of National Instrument 52-110 – *Audit Committees* and stock exchange rules, for as long as the Investor Nominee serves on the Board of Directors, the Investor Nominee shall be a member of all standing and ad hoc committees of the Board of Directors, unless otherwise notified in writing by the Investors, other than any committee formed for the purposes of considering any transaction with the Investors or their Affiliates.

Section 2.2 Expiry of Board Nomination

The rights granted to the Investors and the obligations of Real under this Article 2 shall terminate and be of no further force or effect on the first day following the date on which the Beneficial Ownership Requirement is no longer satisfied (the "**Termination Date**"). Any Investor Nominee that was duly appointed or elected to the Board of Directors at a meeting of shareholders of Real and that is an incumbent member of the Board of Directors as of the Termination Date shall continue to serve on the Board of Directors after the Termination Date unless and until Real requests in writing that such director tender his or her resignation from the Board.

ARTICLE 3
PARTICIPATION RIGHT

Section 3.1 Participation Right

(1) Subject to Section 3.2, Real agrees that if Real proposes to issue any Common Shares or Convertible Securities, other than pursuant to an Exempt Issuance (any such issuance, a "**Subsequent Offering**"), then Real shall provide a written notice (the "**Subsequent Offering Notice**") to the Investor Members promptly but not later than the 10th Business Day prior to the planned date of commencement of such offering, issuance or sale; provided that if such proposed Subsequent Offering is to be effected as a "bought deal", Real shall promptly upon the initial communication relating to a proposed "bought deal" with a prospective underwriter notify the Investor Members of the substance of such communication and shall update the Investor Members on all material developments with respect thereto. A Subsequent Offering Notice shall set out: (i) the number of Common Shares or Convertible Securities proposed to be issued; (ii) the material terms and conditions of any Convertible Securities proposed to be issued and any other material terms and conditions of such Subsequent Offering (including the expiration date, if applicable, and in the case of a Registration and to the extent possible, a copy of the related draft Prospectus or registration statement (or such other documents that are required under U.S. Securities Laws), as applicable); (iii) the subscription price per Common Share or Convertible Security proposed to be issued by Real under such Subsequent Offering, as applicable (and, in the case of a Subsequent Offering for consideration in whole or in part other than cash, the fair market value thereof as reasonably determined by the Board), and (iv) the proposed closing date for the issuance of Common Shares or Convertible Securities to the Investor Members, assuming exercise of the Participation Right by the Investor Members, which closing date shall be at least 10 Business Days following the date of such notice, or such other date as Real and the Investor Members may agree.

(2) Subject to Section 3.1(3) and Section 3.2 and the receipt of all required regulatory approvals and compliance with applicable Laws, Real agrees that each Investor Member has the right (the "**Participation Right**"), upon receipt of a Subsequent Offering Notice, to subscribe for and to be issued, on the same terms and conditions (but in any event at the same price per security in such Subsequent Offering, net of any applicable underwriter discounts) of such Subsequent Offering:

(a) in the case of a Subsequent Offering of Common Shares, such number of Common Shares that will allow such Investor Member to maintain the As- Exchanged Ownership of such Investor Member immediately prior to completion of the Subsequent Offering; and

(b) in the case of a Subsequent Offering of Convertible Securities, such number of Convertible Securities that will (assuming conversion or exchange of all of the Convertible Securities issued in connection with the Subsequent Offering and the Convertible Securities issuable pursuant to this Section 3.1) allow such Investor Member to maintain the As-Exchanged Ownership of such Investor Member immediately prior to the completion of the Subsequent Offering.

in each case, for greater certainty, after giving effect to any Common Shares or Convertible Securities acquired by such Investor Member as part of the Subsequent Offering, other than pursuant to the exercise of the Participation Right.

(3) Subject to Section 3.2, if an Investor Member wishes to exercise the Participation Right in respect of a particular Subsequent Offering, such Investor Member shall give written notice to Real (the "**Exercise Notice**") of the exercise of such right and of the number of Common Shares or Convertible Securities, as applicable, that such Investor Member wishes to purchase (subject to the limits prescribed by Section 3.1(2)), within five Business Days (or, in the case of a Subsequent Offering that is a public offering in a "bought deal", three Business Days) after the date of receipt of the Subsequent Offering Notice (the "**Exercise Notice Period**"), provided that if an Investor Member does not so provide such Exercise Notice prior to the expiration of the Exercise Notice Period, such Investor Member will not be entitled to exercise the Participation Right in respect of such Subsequent Offering. Each Exercise Notice delivered by the Investors shall set forth the aggregate number of each class of securities of Real beneficially owned or controlled by the applicable Investor Member as of the date of such Exercise Notice.

(4) If Real receives a valid Exercise Notice from an Investor Member within the Exercise Notice Period, then Real shall issue to such Investor Member against payment of the subscription price payable in respect thereof set forth in the Subsequent Offering Notice, that number of Common Shares or Convertible Securities, as applicable, set forth in the Exercise Notice, subject to the receipt of all required regulatory and other approvals on terms and conditions satisfactory to Real, acting reasonably, which approvals Real shall use commercially reasonable efforts to obtain (other than any shareholder approvals which Real shall not under any circumstances be required or obliged to obtain unless shareholder approval is otherwise required in connection with the Subsequent Offering, such that no Investor Member, acting individually or in the aggregate, shall be entitled to exercise its Participation Right if such exercise would, in and of itself, cause Real to have to seek shareholder approval for such Subsequent Offering), and subject to compliance with applicable Laws and to the limits prescribed by Section 3.1(2). Each Investor Member acknowledges and agrees that such Common Shares or Convertible Securities may be subject to restrictions on transfer pursuant to applicable Securities Laws. Accordingly, each Investor Member acknowledges and agrees that prior to the expiry of any applicable holding period under applicable Securities Laws, the certificates (if any) representing such Common Shares or Convertible Securities will bear such legend or legends as may, in the reasonable opinion of counsel to Real, be necessary in order to avoid a violation of any Securities Laws or to comply with the requirements of the Applicable Stock Exchange, provided that if, at any time, in the reasonable opinion of counsel to Real, such legends are no longer necessary in order to avoid a violation of any such Laws, or the holder of any such legended certificate, at Real's expense, provides Real with evidence reasonably satisfactory in form and substance to Real (which may include an opinion of counsel satisfactory to Real) to the effect that such holder is entitled to sell or otherwise transfer such Common Shares or Convertible Securities in a transaction in which such legends are not required, such legended certificate may thereafter be surrendered to Real in exchange for a certificate which does not bear such legend.

(5) The closing of the exercise of the Participation Right of each Investor Member will take place on the closing date set out in the Subsequent Offering Notice, which shall be, to the extent practicable, concurrent with the related issuance pursuant to the Subsequent Offering and, if not practicable, as soon as practicable thereafter. If the closing of the exercise of the Participation Right has not been completed by the 90th day following receipt of the Subsequent Offering Notice (or such earlier or later date as the parties may agree), provided that Real has used its commercially reasonable efforts to obtain all required regulatory and other approvals (other than any shareholder approvals which Real shall not under any circumstances be required or obliged to obtain unless shareholder approval is otherwise required in connection with the Subsequent Offering), then each Investor Member may choose to withdraw its Exercise Notice, in which case Real will have no obligation to issue any Common Shares or Convertible Securities, as applicable, to such Investor Member pursuant to such exercise of the Participation Right. If an Investor Member does not timely elect to exercise its Participation Right in full, then Real shall be free for a period of 90 days following the expiration of the Exercise Notice Period to sell the Common Shares or Convertible Securities that are the subject of the Subsequent Offering Notice on terms and conditions no more favorable to the purchasers thereof (but in any event with a price no less than those offered to the Investors in the Subsequent Offering Notice); provided that any Common Shares or Convertible Securities offered or sold by Real after such 90-day period, or any Common Shares or Convertible Securities offered or sold by Real during such 90-day period on terms and conditions more favorable to the purchasers thereof (or in any event with a price less) than those offered to the Investor Members in the Subsequent Offering Notice, must, in either case, be reoffered to the Investor Members pursuant to this Section 3.1 as though it were a new Subsequent Offering.

(6) If Real is paying the costs and expenses incurred by purchasers of Common Shares or Convertible Securities (other than pursuant to this Section 3.1(6)) in connection with any Subsequent Offering, Real shall also pay a proportionate amount of the costs and expenses incurred by the Investor Members in connection with such Subsequent Offering, on substantially similar terms.

(7) The election by an Investor Member not to exercise its Participation Right under this Section 3.1 in any one instance shall not affect its right as to any subsequent proposed issuance.

(8) In the case of an issuance subject to this Section 3.1 for consideration in whole or in part other than cash, including securities acquired in exchange therefor (other than securities by their terms so exchangeable), the consideration other than cash shall be deemed to be the fair market value thereof as reasonably determined in good faith by the Board of Directors.

Section 3.2 Expiry of Participation Right

The Participation Right and the obligations of Real under this Article 3 shall terminate and be of no further force or effect on the Termination Date.

Section 3.3 Required Filings Canadian Securities Acts

Real shall promptly make any filings or issue any reports, within the time frame and form required under the Canadian Securities Acts, where securities are issued to the Investor Members pursuant to the Participation Right if such issuance is (i) not qualified by a prospectus and (ii) an Investor Member is, at the time of that issuance, outside Canada.

ARTICLE 4
ADDITIONAL COVENANTS OF THE PARTIES

Section 4.1 Protective Provisions

From and after the issuance of the Purchased Securities and for so long as the Investors or their Affiliates meet the Beneficial Ownership Requirement, Real shall not, and shall cause its Subsidiaries (including the Issuer) to not, without the prior written consent of the Investors, which consent may be withheld in their sole discretion:

(a) amend, modify, restate or waive any provision in its constating documents in a manner that alters, or that adversely affects, the rights, preferences, privileges or powers of the Preferred Units (including as to impair the rights of the holders of Preferred Units pursuant to the Exchange Agreement or the Guarantee Agreement or to create a class of equity securities that are *pari passu* or senior to the Preferred Units);

(b) in respect of Real or any of its Subsidiaries (other than the Issuer), issue, authorize or create, or increase the issued or authorized amount of, (by reclassification or otherwise) any (i) class or series of equity securities ranking *pari passu* or senior to any other equity securities of such entity as to distribution rights or rights upon the Liquidation of such entity, or (ii) any equity or debt security that is convertible into, exercisable for, exchangeable for or representing the right to purchase any class or series of equity securities ranking *pari passu* or senior to any other equity securities of such entity as to distribution rights or rights upon the Liquidation of such entity, in either case where any payment obligation of Real or any of its Subsidiaries (including in respect of dividends, redemptions or other distributions) are not (directly or indirectly) subordinated (either structurally, by contract or otherwise) to the obligations of Real in respect of the Preferred Units under the Guarantee Agreement;

(c) in respect of the Issuer, issue, authorize or create, or increase the issued or authorized amount of, (by reclassification or otherwise) any (i) class or series of equity securities ranking *pari passu* or senior to the Preferred Units as to distribution rights or rights upon the Liquidation of the Issuer, or (ii) any debt or equity security that is convertible into, exercisable for, exchangeable for or representing the right to purchase any specific class or series of equity securities ranking *pari passu* or senior to the Preferred Units as to distribution rights or rights upon the Liquidation of the Issuer;

(d) (i) increase the number of issued or authorized Preferred Units or any reissuance thereof (whether by reclassification of other equity interests into Preferred Units, or otherwise), (ii) issue any Preferred Units or (iii) issue any equity or debt security that is convertible into, exchangeable for or representing the right to purchase any Preferred Units;

(e) exchange, reclassify or cancel the Preferred Units or any other class or series of Real securities, other than as provided in the LLC Agreement;

(f) unless all Accrued Distributions on all outstanding Preferred Units have been declared and paid in cash, or have been or contemporaneously are declared and a sum sufficient for the payment of those Accrued Distributions has been or is set aside for the benefit of the holders of Preferred Units, (i) declare or pay any dividend in respect of any class or series of equity securities ranking *pari passu* or junior to the Common Shares as to dividend rights or rights upon the Liquidation of Real or (ii) redeem, repurchase, acquire (either directly or through any Subsidiary) or make a liquidation payment relating to (or pay any moneys for a sinking fund for redemption of), any class or series of equity securities ranking *pari passu* or junior to the Common Shares as to dividend rights or rights upon the Liquidation of Real;

(g) redeem, repurchase or otherwise acquire or offer to redeem, repurchase or otherwise acquire any outstanding securities of Real or the Issuer at a price per security that is above the market price of such securities (provided that nothing in this Agreement shall prohibit Real from conducting a normal course issuer bid for its Common Shares in accordance with applicable Securities Laws);

(h) take any action that is prohibited to be taken by Real or any of its Subsidiaries pursuant to the LLC Agreement as if they were parties thereto;

(i) spend more than an aggregate of $100,000 in any given calendar year repurchasing Common Shares or any equity securities convertible into, exercisable for or exchangeable for any Common Shares;

(j) take any action that would result in the Issuer ceasing to be a wholly-owned Subsidiary of Real (other than in respect of the Preferred Units);

(k) effect any voluntary deregistration or voluntary delisting of Common Shares from any Applicable Stock Exchange (other than in connection with a listing on another Applicable Stock Exchange);

(l) adopt any shareholder rights agreement, "**poison pill**" or similar anti-takeover agreement or plan that is applicable to the Investors unless Real has excluded the Investors and their Affiliates from the definition of "**acquiring person**" (or such similar term) as such term is defined in such anti-takeover agreement to the extent of the Investors' and their Affiliates' beneficial ownership of Preferred Units and Common Shares owned as of the date any such agreement or plan is adopted by Real (including on an as-exchanged and/or as-exercised basis in respect of the Preferred Units and the Warrants, respectively) or that otherwise has, or would reasonably be expected to have, a material adverse effect on the holders of Preferred Units;

(m) enter into any contract, agreement, commitment or transaction that would, by its terms, prohibit or restrict the ability of Real or the Issuer, as applicable, to perform any of their respective obligations with respect to the Preferred Units or the Warrants in any material respect;

(n) adopt or consummate any voluntary plan or proposal for the Liquidation of Real or the Issuer;

(o) file a petition in bankruptcy under any provisions of Law, or consent to the filing of any bankruptcy petition under any Law, in each case with respect to Real or any of its Subsidiaries;

(p) make any non-cash dividend or other non-cash distribution to holders of Common Shares;

(q) enter into or authorize any material transaction between Real or any of its Subsidiaries, on the one hand, and any "related party" (as such term is defined under MI 61-101) of Real (excluding Real's Subsidiaries), on the other hand where (i) Real is relying on the exemption from minority approval requirement in section 5.7(1)(a) of MI 61-101 to enter into such transaction, (ii) the fair market value of such transaction is equal to or greater than 10% of Real's market capitalization on the Business Day immediately prior to the announcement of such transaction and (iii) Real has not otherwise obtained minority approval for such transaction in accordance with section 5.6 of MI 61-101; or

(r) agree to take any of the foregoing actions.

Section 4.2 Standstill

(1) During the Standstill Period, the Investors covenant and agree with Real that without the prior written consent of Real (A) the Investors shall not, and (B) the Investors shall not cause or permit any of their controlled Affiliates to, directly or indirectly, alone or acting jointly or in concert with any other Person to:

(a) other than as part of an Exempt Issuance, acquire or agree to acquire or make any proposal or offer to acquire any Common Shares (or any securities convertible, exercisable or exchangeable into Common Shares) in an amount that brings the aggregate beneficial ownership, direction or control of the Investors, together with other Persons acting jointly or in concert with the Investors, over 19.99% of the issued and outstanding Common Shares; for certainty, beneficial ownership shall be calculated in accordance with applicable Securities Laws;

(b) commence a take-over bid for any securities of Real or its Subsidiaries;

(c) effect, seek, offer or propose any take-over bid, amalgamation, merger, arrangement, business combination, re-organization, restructuring, liquidation by or with respect to Real or any of its Subsidiaries, or disposition of a material portion of the consolidated assets of Real and its Subsidiaries, taken as a whole ("**Extraordinary Transaction**");

(d) request requisition or call a special meeting of shareholders of Real;

(e) propose a shareholder proposal (under the applicable provisions of the Act) with respect to Real;

(f) seek to obtain representation on the Board of Directors other than pursuant to Article 2;

(g) engage in short sales of any of Real's or its Subsidiaries' securities;

(h) solicit proxies from the security holders of Real, or form, join or act jointly or in concert to so solicit, in relation to a proposed Change of Control Transaction or any of the matters referred to in Section 4.2(2); provided, however, that this clause (h) shall not restrict the Investors or their Affiliates from: (A) discussing the business of, or any transaction involving, Real or its Subsidiaries, or any matter proposed by Real to be voted on by its voting shareholders, with any other holder of the securities of Real or its Subsidiaries; or (B) taking any other action approved by a majority of the directors of Real;

(i) enter into or offer to enter into or otherwise agree to be bound by a lockup, voting, support or other similar agreement with respect to any Common Shares (or any Preferred Units or any other right or option to acquire Common Shares (pursuant to the terms of a convertible, exchangeable or exercisable security or otherwise)) beneficially owned by the Investors or any Affiliate thereof, or over which the Investors or any Affiliate thereof exercise control or direction, in connection with any proposed Change of Control Transaction unless such Change of Control Transaction is an Approved Change of Control Transaction; or

(j) knowingly advise, assist or encourage any other Person to engage in any of the activities from which the Investors are restricted under this Section 4.2(1).

(2) During the Standstill Period, the Investors shall in respect of any meeting of the shareholders of Real held during that period:

(a) not vote against any Management Nominee nominated by the Board of Directors;

(b) not vote in favour of any shareholder nomination for directors that is not approved by the Board of Directors; and

(c) not vote in favour of any proposal or resolution to remove any member of the Board of Directors.

For certainty, for the purposes of this Section 4.2(2), "**vote against**" includes submission by the Investors of a proxy or other voting instruction form pursuant to which the Investors specifically direct that their votes be withheld on a matter or otherwise casts a "withhold" vote on a matter but does not include the Investors abstaining from casting a vote on a matter altogether.

(3) Notwithstanding anything to the contrary in Sections 4.2(1) and 4.2(2), the Investors will be entitled to vote any Common Shares in their discretion with respect to (i) any Approved Change of Control Transaction; or (ii) any Change of Control Transaction proposed by a Person other than the Investors or any Person acting jointly or in concert with the Investors. For greater certainty, nothing in Sections 4.2(1) and 4.2(2) shall prohibit the Investors or their Affiliates from (1) making one or more confidential proposals to the Board of Directors relating to an Extraordinary Transaction or other transaction, provided the Board of Directors shall be under no obligation to accept any such proposal, (2) exercising their ability to vote (subject to Section 4.2(2) above), Transfer (subject to Section 4.3), exchange or otherwise exercise rights under their Common Shares, Warrants or Preferred Units, (3) the ability of any Investor Nominee to act in his or her capacity as a member of the Board of Directors including his or her ability to vote or otherwise exercise his or her fiduciary duties, or any non-public, internal actions taken by the Investors or any of their Affiliates or Representatives to prepare any Investor Nominee to act in such capacity, (4) participating in rights offerings made by Real to all holders of its Common Shares, (5) receiving any dividends or similar distributions with respect to any securities of Real or any of its Subsidiaries held by the Investors, (6) tendering Common Shares, Warrants or Preferred Units into any take-over bid or issuer bid, (7) effecting an adjustment to the Exchange Price pursuant to the LLC Agreement and/or the Warrant Certificate, or (8) otherwise exercising rights under the Common Shares, Warrants or Preferred Units that are not the subject of this Section 4.2.

Section 4.3 Transfer Restrictions

(1) During the Restricted Period, the Investors will not Transfer any Preferred Units or enter into any transaction that transfers, in whole or in part, directly or indirectly, the economic consequences of ownership of any of their Preferred Units, provided that the foregoing restrictions shall not apply (assuming compliance with applicable Securities Laws):

(a) in respect of a Transfer of Preferred Units between the Investors and their Affiliates or a Transfer of Preferred Units among Affiliates of the Investors, provided that the Investors shall be responsible for any breach of this Agreement by their Affiliates;

(b) in respect of any Transfer of Preferred Units in connection with a Change of Control Transaction, take-over bid, issuer bid, amalgamation, merger, business combination, arrangement or other statutory procedure involving Real or the Issuer;

(c) in respect of any Transfer of Preferred Units to Real or any of its Subsidiaries, whether as a result of an exchange pursuant to the LLC Agreement, Exchange Agreement, or otherwise;

(d) in connection with a Transfer of Preferred Units or entry into any transaction that transfers, in whole or in part, directly or indirectly, the economic consequences of ownership of any of their Preferred Units to a Permitted Transferee;

(e) in connection with any other Transfer approved by a majority of the directors of the Board; or

(f) in connection with a pledge of the Preferred Units to secure the obligations of the Investors or their Affiliates under a *bona fide* margin loan or any Transfers by the applicable lender upon the exercise of any related foreclosure right or remedy.

(2) Following the expiration of the Restricted Period, the Investors and their Affiliates shall not be restricted from transferring any of the Preferred Units owned by the Investors or their Affiliates subject to compliance with applicable Securities Laws and the rules of an Applicable Stock Exchange.

Section 4.4 Ownership Certificate

The Investors agree to deliver to Real a written certificate signed by an officer of the Investors (the "**Ownership Certificate**"), certifying as to the number of Common Shares and the number of Preferred Units beneficially owned or controlled by the Investors and their Affiliates and any other Persons acting jointly or in concert with the Investors, as at the date of such certificate, such Ownership Certificate to be delivered to Real as reasonably requested from time to time (which shall occur no more frequently than once per fiscal quarter), together with any supporting documentation reasonably requested by Real.

Section 4.5 Confidentiality

(1) Each Investor Member will, and will direct its Representatives to, keep confidential and will treat confidentially all Confidential Information. Each Investor Member agrees that it will, and will cause its Representatives to, not disclose any Confidential Information nor use any Confidential Information other than for the purposes of monitoring, administering, managing, fundraising, marketing or reporting such Investor Member's investment in Real and/or the Issuer; provided that an Investor Member and its Representatives may disclose the Confidential Information to (i) its Representatives (including any Investor Nominee, and in the case of any prospective limited partner of the Investors or their Affiliates, provided that such partner is bound by the confidentiality restrictions of a similar nature as those set forth in this Section 4.5), or (ii) as Real may otherwise consent in writing; and provided, further, that this provision will not prevent the Investors and their Affiliates from taking any action contemplated by Section 4.2 following the expiry of the Standstill Period.

(2) As a condition to the furnishing of Confidential Information to a Representative of an Investor Member, such Investor Member shall advise such Representative of the confidential nature of and restriction on use of the information disclosed. Such Investor Member agrees that it will be fully responsible for any breach of the confidentiality and restricted use provisions of this Agreement applicable to Representatives by its Representatives unless such Representative has obligations of confidentiality directly to Real or its Subsidiaries. In addition, each Investor Member will take reasonable steps, including the obtaining of suitable undertakings, to ensure that Confidential Information is not disclosed to any other Person or used in a manner contrary to this Agreement, and, to the extent reasonably practicable, promptly notify Real of any unauthorized disclosure of Confidential Information or breach of this Agreement known to the Investor Member.

(3) Each Investor Member hereby acknowledges that Securities Laws and Real's Stock Trading Policy impose restrictions on its ability to purchase, sell, trade or otherwise Transfer securities of Real until such time as material, non-public information received by such Investor Member becomes publicly available or is no longer material, and each Investor Member further hereby agrees to comply with all such restrictions and to inform those of its Representatives provided with any Confidential Information of such restrictions. Each Investor Member hereby acknowledges that any material, non-public information being received by the Investor Member is intended to be received in the "necessary course of business" in accordance with the interpretive guidance set out in NP 51-201.

(4) The term Confidential Information shall exclude any information that: (i) was generally available to the public prior to the date hereof; (ii) becomes generally available to the public (through no violation hereof by an Investor Member or its Representatives); (iii) was within an Investor Member's or its Representatives' possession prior to it being furnished to an Investor Member or its Representatives by or on behalf of Real, provided that such information is not, to such Investor Member's knowledge, subject to any contractual, legal or fiduciary obligations of confidentiality to Real that would prevent its use or disclosure;
(iv) is obtained by an Investor Member or its Representatives from a third party who, to such Investor Member's knowledge, at the time of disclosure, is not prohibited by an obligation to Real from disclosing such information on a non-confidential basis to such Investor Member or its Representatives; (v) was independently developed by such Investor Member or its Representatives, or on such Investor Member's behalf, without use of or reference to the Confidential Information; or (vi) is expressly permitted in writing by Real to be disclosed to third parties on a non- confidential basis.

(5) Nothing in this Section 4.5 is to be construed as granting any Investor Member any title, ownership, license or other right of interest with respect to the Confidential Information. Real retains all right, title and interest in and to the Confidential Information.

(6) If an Investor Member or any of its Representatives is requested or required to disclose any Confidential Information in connection with any legal or administrative proceeding or investigation (including pursuant to the terms of a subpoena or order issued by a court of competent jurisdiction or a regulatory or self-regulatory body), or is requested or required by Law to disclose any Confidential Information, such Investor Member or such Representative, as applicable, will provide Real with prompt written notice of any such request or requirement, to the extent reasonably practicable and not prohibited by Law, so that Real has an opportunity to seek a protective Order or other appropriate remedy or waive compliance with the provisions of this Section 4.5, in each case, at Real's sole cost and expense. If Real waives compliance with the provisions of this Section 4.5 with respect to a specific request or requirement, such Investor Member or such Representative, as applicable, shall disclose only that portion of the Confidential Information that is covered by such waiver and which is necessary to disclose in order to comply with such request or requirement. If (in the absence of a waiver by Real) Real has not secured a protective Order or other appropriate remedy, and such Investor Member or such Representative is nonetheless requested or required by Law to disclose any Confidential Information, such Investor Member or such Representative, as applicable, may, without liability hereunder, disclose only that portion of the Confidential Information that is requested or required to be disclosed.

(7) At any time following the date on which no Investor Nominee serves on the Board of Directors, upon written request by Real, the Investors shall, and shall direct their Representatives to, at the option of the Investors, promptly return to Real or promptly destroy all Confidential Information (including, electronic copies) supplied by Real to and in the possession of the Investors or their Representatives, as applicable, without retaining any copy thereof. Notwithstanding the foregoing, the Investors and their Representatives may retain Confidential Information as required to comply with applicable Laws or their respective corporate governance, internal compliance, evidentiary and/or record keeping policies, (ii) the Investors may retain Confidential Information included as part of board materials of the Investors or their Representatives, and (iii) neither the Investors nor its Representatives shall be required to purge their respective computer or electronic archives (including routine computer system backup tapes, disks or other backup storage devices).

(8) Notwithstanding the return or destruction of the Confidential Information as contemplated hereby or the termination of this Agreement, the Investors will continue to be bound by the terms of this Section 4.5 with respect thereto, including all obligations of confidentiality and restrictions on use for so long as this Agreement is in effect.

Section 4.6 Information Rights

(1) In order to facilitate (i) the Investors' and their Affiliates' compliance with legal and regulatory requirements applicable to the beneficial ownership by the Investors and their Affiliates of equity securities of Real, and (ii) the provision by the Investors and their Affiliates' of financial and other strategic advice to the business and affairs of Real and its Subsidiaries and the taking of such other actions for the benefit of Real and its Subsidiaries in the "necessary course of business" in accordance with the interpretive guidance set out in NP 51-201, for so long as the Investors or their Affiliates hold any of the Purchased Securities, Real agrees promptly to provide the Investors with the following:

(a) within 120 days after the end of each fiscal year of Real, (i) an audited, consolidated balance sheet of Real and its Subsidiaries as of the end of such fiscal year and (ii) audited, consolidated statements of income, comprehensive income, cash flows and changes in shareholders' equity of Real and its Subsidiaries for such fiscal year, all such financial statements audited and certified by independent public accountants of recognized standing; provided that this requirement shall be deemed to have been satisfied if on or prior to such date Real files its audited annual financial statements with the applicable Canadian Securities Commissions pursuant to National Instrument 51-102 – *Continuous Disclosure Obligations*;

(b) within 45 days after the end of each of the first three quarters of each fiscal year of Real, (i) an unaudited, consolidated balance sheet of Real and its Subsidiaries as of the end of such fiscal quarter and (ii) consolidated statements of income, comprehensive income and cash flows of Real and its Subsidiaries for such fiscal quarter, all prepared in accordance with IFRS; provided that this requirement shall be deemed to have been satisfied if on or prior to such date Real files its interim financial report with the applicable Canadian Securities Commissions pursuant to National Instrument 51-102 – *Continuous Disclosure Obligations*; and

(c) (i) access to and consultation with appropriate officers, directors and management personnel of Real and its Subsidiaries at such times as reasonably requested by the Investors, in such manner as not to interfere unreasonably with the conduct of business of Real and its Subsidiaries, for consultation with the Investors with respect to matters relating to the business and affairs of the Issuer, and (ii) in connection with same, Real will furnish Investors with copies of any business plans, monthly financial reports, quarterly management reports, formal presentations to the Board, material documents provided to lenders of Real and such other financial and operating data and other information pertaining to Real; provided that in the case of (ii), such reports and information shall only be provided to the Investors to the extent they have been prepared by Real and made available to the Board and the lenders of Real, as applicable.

(2) Promptly after the determination of Real's annual budget for each calendar year, Real shall promptly notify the Investors in writing of the aggregate annual budgeted recurring capital expenditure of Real and its Subsidiaries.

(3) Notwithstanding the foregoing, Real shall not be obligated to provide such access or materials set forth in this Section 4.6 if Real, acting in good faith, determines, in its reasonable judgment based on the advice of outside counsel of international standing, that doing so would (x) materially violate applicable securities Laws, (y) jeopardize the protection of an attorney-client privilege or attorney work product protection that could reasonably relate to the information or documents in question, or (z) expose Real to liability for disclosure of personal information; provided that, in the case of each of clauses (x) through (z), Real shall immediately disclose as much information as possible, and provide the Investors with redacted, substitute or aggregated and/or anonymized documents or information in the most permissive manner that would not result in, as applicable, Real violating the applicable Law in question, losing the ability to assert attorney-client privilege or attorney work product protection or exposing Real to the aforementioned liability.

(4) Each party hereto acknowledges and agrees that the Investor Nominee may share any information concerning Real and its Subsidiaries received by him or her from or on behalf of Real or its designated representatives with the Investors and their Representatives (other than any Persons that are Representatives solely by virtue of being actual or potential sources of debt or equity financing) (subject to the obligation of the Investors and their Representatives to maintain the confidentiality of Confidential Information in accordance with Section 4.5).

(5) Real and the Issuer shall, as the Investors may reasonably request from time to time, provide to the Investors, pursuant to a management rights letter, such management rights as may be necessary for the Investors' investment in Real and the Issuer to continue to qualify as a "venture capital investment" for purposes of 29 C.F.R. § 2510.3-101.

Section 4.7 Additional Covenants

(1) During the term of this Agreement, Real shall use commercially reasonable efforts to maintain its status as a reporting issuer in the Reporting Jurisdictions and maintain the listing of the Common Shares (including, for greater certainty, Common Shares issuable upon exchange of the Preferred Units and exercise of the Warrants in accordance with their terms) for trading on the Applicable Stock Exchange and shall file, within the required deadlines, the documents prescribed by applicable Securities Laws and the rules of the Applicable Stock Exchange.

Section 4.8 Tax Information

(1) PFIC Status. Real must promptly (i) determine after the close of each taxable year whether it was a "passive foreign investment company" (a "PFIC") as defined in Section 1297 of the Code during such year, and (ii) provide the Investor Members with information substantiating its determination, in each case no later than 60 days after the close of such taxable year. If Real or the Investor Members determine that Real is a PFIC, Real will provide the Investor Members with the information necessary to permit the limited partners of the Investor Members to complete their tax returns as well as United States Internal Revenue Service Form 8621, including information necessary to make and maintain a "qualified electing fund" election within the meaning of Section 1295 of the Code, within 90 days of the close of the taxable year. Certain Transactions.

(2) CFC Status. Real must promptly (i) determine after the close of each year whether it was a "controlled foreign corporation" (a "CFC") as defined in Section 957 of the Code during such year, and (ii) provide the Investor Members with information substantiating its determination, in each case no later than 60 days after the close of such taxable year. If Real or the Investor Members determine that Real is a CFC, Real will provide the Investor Members with the information necessary to permit the Investor Members and the limited partners of the Investor Members to complete their tax returns within 90 days of the close of the taxable year.

(3) Other Tax Matters. Real shall provide to the Investor Members any information reasonably requested and shall provide all reasonable assistance to any Investor Member as may be reasonably necessary to complete or make any tax filings or applications or to make any elections that such Investor Member must make to obtain any available exemptions from or refunds of withholding or any similar taxes on or before March 15th of the calendar year succeeding the relevant taxable year. Real shall provide, at the request of the Investor Members any information in their possession that is reasonably requested for U.S. federal, state, local or foreign tax purposes.

(4) Tax Treatment: Real agrees that for all U.S. federal, state and local tax purposes, it shall treat the Investor Members as owners of stock in Real.

Section 4.9 Certain Transactions.

(1) In the event of any stock split, reverse stock split, stock dividend or distribution, subdivision, or any change in the Common Shares, the Preferred Units or the Warrants by reason of any recapitalization, combination, reclassification, exchange of shares, merger, consolidation, partial or complete liquidation, share dividend, split-up, sale of assets, distribution to equityholders or similar transactions or change in Real's or the Issuer's capital structure, (a) the terms "Common Shares", "Preferred Units" and "Warrants" used herein shall, as applicable, be deemed to refer to and include all such dividends and distributions and any other securities into which or for which any or all of such securities may be changed or exchanged or which are received in such transaction and (b) Real and the Issuer agree that appropriate adjustments shall be made to this Agreement to ensure that the Investor Members have, immediately after consummation of such transaction, substantially the same rights with respect to Real, the Issuer or another issuer of securities, as applicable, as they have immediately prior to the consummation of such transaction under this Agreement.

(2) Without limiting any rights set forth in Section 4.1, if at any time Real proposes to change its jurisdiction of organization or primary stock exchange on which the Common Shares are listed, (i) Real shall work in good faith with the Investor Members, and use its commercially reasonable efforts, to minimize any adverse tax, regulatory, legal or accounting impacts of such transaction on the Investor Members and their Affiliates and (ii) the parties hereto agree that, subject to applicable Securities Laws and the rules and regulations of the new stock exchange, appropriate adjustments shall be made to this Agreement to ensure that the Investor Members have, immediately after the consummation of such transaction, substantially the same rights with respect to Real as they have immediately prior to the consummation of such transaction, including such changes as are reasonably necessary or advisable to reflect (A) differences, if any, between the Laws of the new jurisdiction of formation of Real and other Laws (including Securities Laws) applicable to Real and the Common Shares, as compared to those applicable to Real as of the date hereof and (B) differences in the rules of the new stock exchange as compared to those of the TSX Venture Exchange as of the date hereof.

ARTICLE 5
MISCELLANEOUS

Section 5.1 Notices

(1) Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be delivered in Person, transmitted by e-mail or similar means of recorded electronic communication or sent by registered mail, charges prepaid, addressed as follows:

(a) in the case of the Investors: c/o Insight Partners

1114 Avenue of the Americas, 36th Fl.
New York, NY 10036

Attention: Andrew Prodromos
Email: *[redacted]*

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

Willkie Farr & Gallagher LLP
787 Seventh Avenue
New York, NY 10019-6099

Attention: Robert A. Rizzo
E-mail: *[redacted]*

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

Stikeman Elliott LLP
5300 Commerce Court West
199 Bay Street
Toronto, Ontario M5L 1B9

Attention: Jonah Mann
E-mail: [*redacted*]

(b) in the case of Real or the Issuer:

The Real Brokerage Inc. 133 Richmond Street West Suite 302
Toronto, Ontario M5H 2L3

Attention: Tamir Poleg, Chief Executive Officer
E-mail: *[redacted]*

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

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

Attention: Jason A. Saltzman
E-mail: *[redacted]*

(2) Any such notice or other communication shall be deemed to have been given and received on the day on which it was delivered or transmitted by email or personally by hand (or, if such day is not a Business Day or if delivery or transmission is made on a Business Day after 5:00 p.m. (Toronto time) at the place of receipt, then on the next following Business Day) or, if mailed by internationally recognized overnight courier, on the Business Day following the date of mailing; provided, however, that if at the time of mailing or within two Business Days thereafter there is or occurs a labour dispute or other event which might reasonably be expected to disrupt the delivery of documents by mail, any notice or other communication hereunder shall be delivered or transmitted by means of recorded electronic communication as aforesaid.

(3) Any party may at any time change its address for service from time to time by giving notice to the other parties in accordance with this Section 5.1.

Section 5.2 Amendments and Waiver

No amendment or waiver of any provision of this Agreement shall be binding on any party unless consented to in writing by such party. No waiver of any provision of this Agreement shall constitute a waiver of any other provision, nor shall any waiver of any provision of this Agreement constitute a continuing waiver unless otherwise expressly provided.

Section 5.3 Assignment; Transfer of Rights

(1) No party may assign any of its rights or benefits under this Agreement, or delegate any of its duties or obligations, except with the prior written consent of the other party which consent may be withheld in its sole discretion except as otherwise provided herein.

(2) Notwithstanding the foregoing, (i) an Investor Member may assign and transfer its rights, benefits, duties and obligations under this Agreement, in whole or in part, without the consent of Real, to any Affiliate of such Investor Member, provided that: (A) any such Affiliate shall, prior to any such assignment, agree to be bound by all of the covenants of such Investor Member contained herein and comply with the provisions of this Agreement that were applicable to the transferor Investor Member, and shall deliver to Real a duly executed undertaking to such effect in form and substance satisfactory to Real, acting reasonably; and (B) except as otherwise provided herein, where any rights of an Investor Member under this Agreement have been assigned, such rights shall only be exercised by such Investor Member and its Affiliates, acting together.

(3) For greater certainty, no assignment by the Investors or any assignee (each, an "**Assignee**") of its rights hereunder shall relieve such Assignee of its obligations hereunder.

Section 5.4 Successors and Assigns

This Agreement shall enure to the benefit of and shall be binding on and enforceable by and against the parties and their respective successors or heirs, executors, administrators and other legal personal representatives, and permitted assigns.

Section 5.5 Further Assurances

Each of the parties hereto shall, from time to time hereafter and upon any reasonable request of the other, promptly do, execute, deliver or cause to be done, executed and delivered all further acts, documents and things as may be required or necessary for the purposes of giving effect to this Agreement.

Section 5.6 Right to Injunctive Relief

Each of the parties hereby acknowledges and agrees that in the event of a breach or threatened breach of any of its covenants hereunder, the harm suffered would not be compensable by monetary damages alone and, accordingly, in addition to other available legal or equitable remedies available to such party, the Investors (in respect of any breach of this Agreement by Real) and Real (in respect of any breach of this Agreement by the Investors) shall be entitled to apply for an injunction or specific performance with respect to such breach or threatened breach, without proof of actual damages (and without the requirement of posting a bond, undertaking or other security in connection with such action), and each of the parties hereby agrees not to plead sufficiency of damages as a defence in such circumstances.

Section 5.7 Counterparts

This Agreement and all documents contemplated by or delivered under or in connection with this Agreement may be executed and delivered in any number of counterparts (including by email or scanned pages), with the same effect as if all parties had signed and delivered the same document, and all counterparts shall be construed together to be an original and will constitute one and the same agreement. Electronic signatures and electronic pdf signatures (including by email or scanned pages) shall be acceptable as a means of executing such documents.

Section 5.8 Liability of Real and the Issuer

Each of Real and the Issuer agree and acknowledge that any breach of this Agreement by, or the failure to perform any obligation in accordance with the terms of this Agreement of, the Issuer shall be deemed to be a breach of this Agreement by, or failure to perform such obligation of, Real, and Real shall be fully and directly liable for any and all damages relating to, arising from or suffered in connection with such breach or failure.

Section 5.9 Non-Recourse

Notwithstanding anything to the contrary in this Agreement, (a) this Agreement may only be enforced against, and any action, dispute, claim, suit or other proceeding for breach of this Agreement may only be made against, the Persons that are expressly identified herein and/or are parties hereto, (b) none of (i) the former, current and future Affiliates, directors, officers, managers, employees, advisors, representatives, shareholders, members, managers, partners, successors and assigns of the Investor Members or any Affiliate thereof or any former, current and future Affiliate, director, officer, manager, employee, advisor, representative, shareholder, member, manager, partner, successor and assign of any of the foregoing (collectively, "**Investor Related Parties**") shall have any liability for any liabilities or obligations of the parties hereto for any action, dispute, claim, suit or other proceeding (whether in tort, contract or otherwise) for breach of this Agreement or in respect of any representations made or alleged to be made in connection herewith, (c) none of Real, the Issuer nor or their respective Affiliates shall have any rights of recovery in respect hereof against any Investor Related Party and (d) no personal liability shall attach to any Investor Related Party through the Investor Members or otherwise, whether by or through attempted piercing of the corporate veil, by or through an action, dispute, claim, suit or other proceeding (whether in tort, contract or otherwise), by the enforcement of any judgment, fine or penalty or by virtue of any statute, regulation or other applicable Law, or otherwise; provided that, for the avoidance of doubt, nothing in this Section 5.9 shall restrict or limit the rights or obligations of a Person under any other Transaction Agreement to which such Person is a party.

Section 5.10 Activities of the Investors.

Each of Real, the Issuer and the Investor Members acknowledges and agree that: (a) the Investor Members and the Investor Related Parties (collectively, the "**Investor Group**"), (i) have investments or other business relationships with entities engaged in other businesses (including those which may compete with the business of Real and any of its Subsidiaries or areas in which Real or any of its Subsidiaries may in the future engage in business) and in related businesses other than through Real or any of its Subsidiaries, (ii) may develop a strategic relationship with businesses that are or may be competitive with Real or any of its Subsidiaries and (iii) will not be prohibited by virtue of its investment in Real or any of its Subsidiaries, or its service on the Board of Directors or any Subsidiary's board of directors or other governing body, from pursuing and engaging in any such activities; (b) neither Real nor any other shareholders of Real shall have any right in or to such other ventures or activities or to the income or proceeds derived therefrom; (c) no member of the Investor Group shall be obligated to present any particular investment or business opportunity to Real or any of its Subsidiaries even if such opportunity is of a character which, if presented to Real or any of its Subsidiaries, could be undertaken by Real or any of its Subsidiaries, and each member of the Investor Group shall have the right to undertake any such opportunity for itself for its own account or on behalf of another or to recommend any such opportunity to other Persons; and (d) subject to the express terms and conditions set forth in this Agreement, each member of the Investor Group may enter into contracts and other arrangements with Real and its Affiliates from time to time on terms approved by the Board of Directors and the board of directors of such Affiliates, as applicable. To the fullest extent permitted by applicable Law, neither the Investor Members, Investor Related Parties nor any of their respective Affiliates (or partner, officer, employee, investor, or other representative of any of the foregoing Persons) shall be liable to Real or any other Person for any claim arising out of, or based upon, (i) the investment by the Investor Members, Investor Related Parties or any of their respective Affiliates (or partner, officer, employee, investor, or other representative of any of the foregoing Persons) in any entity competitive with the Company or any of its Subsidiaries, or (ii) actions taken by any partner, officer, employee or other representative of the Investor Members, the Investor Related Parties nor any of their respective Affiliates to assist any such competitive company, whether or not such action was taken as a member of the board of directors of such competitive company or otherwise, and whether or not such action has a detrimental effect on Real or its Subsidiaries.

Section 5.11 Termination.

Except to the extent specified otherwise in this Agreement, this Agreement shall terminate and be of no further force and effect with respect to a particular Investor Member upon the date on which such Investor Member no longer holds any Purchased Securities. Notwithstanding the foregoing, Article 1 and Article 5 shall survive the termination of this Agreement indefinitely.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, this Agreement has been executed by the parties on the date first written above.

THE REAL BROKERAGE INC.

By: *signed "Tamir Poleg"*
Name: Tamir Poleg
Title: Chief Executive Officer

REAL PIPE, LLC

By: *signed "Michelle Ressler"*
Name: Name: Michelle Ressler
Title: Title: Manager

[SIGNATURE PAGE TO INVESTOR RIGHTS AGREEMENT]

INVESTORS:

INSIGHT PARTNERS XI, L.P.

By: Insight Associates XI, L.P., its general partner
By: Insight Associates XI, Ltd., its general partner

By: *signed "Andrew Prodromos"*
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS (CAYMAN) XI, L.P.

By: Insight Associates XI, L.P., its general partner
By: Insight Associates XI, Ltd., its general partner

By: *signed "Andrew Prodromos"*
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS XI (CO-INVESTORS), L.P.

By: Insight Associates XI, L.P., its general partner
By: Insight Associates XI, Ltd., its general partner

By: *signed "Andrew Prodromos"*
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS XI (CO-INVESTORS) (B), L.P.

By: Insight Associates XI, L.P., its general partner
By: Insight Associates XI, Ltd., its general partner

By: *signed "Andrew Prodromos"*
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS (DELAWARE) XI, L.P.

By: Insight Associates XI, L.P., its general partner
By: Insight Associates XI, Ltd., its general partner

By: *signed "Andrew Prodromos"*
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS (EU) XI, S.C.Sp.

By: Insight Associates (EU) XI, S.a.r.l., its general partner

By: *signed "Andrew Prodromos"*
Name: Andrew Prodromos
Title: Authorized Officer

EXHIBIT A

Form of Investor Nominee Irrevocable Resignation

The Real Brokerage Inc.
133 Richmond Street West
Suite 302
Toronto, Ontario M5H 2L3

Attention: Tamir Poleg, Chief Executive Officer

Re: Resignation

Ladies and Gentlemen:

This irrevocable resignation is delivered pursuant to Section 2.1(1) of that certain Investor Rights Agreement dated December 2, 2020 among Insight Partners XI, L.P., a limited partnership existing under the laws of the Cayman Islands, Insight Partners (Cayman) XI, L.P., a limited partnership existing under the laws of the Cayman Islands, Insight Partners XI (Co-Investors), L.P., a limited partnership existing under the laws of the Cayman Islands, Insight Partners XI (Co- Investors) (B), L.P., a limited partnership existing under the laws of the Cayman Islands, Insight Partners (Delaware) XI, L.P., a limited partnership existing under the laws of the State of Delaware, Insight Partners (EU) XI, S.C.Sp., a special limited partnership existing under the laws of Luxembourg, The Real Brokerage Inc., a corporation existing under the laws of the Province of British Columbia, and Real PIPE, LLC, a limited liability company existing under the laws of the State of Delaware (the "**Agreement**"). Capitalized terms used herein but not defined shall have the meaning set forth in the Agreement.

Unless Real agrees in writing that the following does not apply, effective immediately and automatically upon, and subject to, such time as (a) I cease to satisfy any of the Nomination Conditions or (b) the Beneficial Ownership Requirement is no longer satisfied, I hereby resign effective immediately from my position as a director of Real and from any and all committees of the Board on which I serve.

Sincerely,

_____

Name:

Execution Version

EXCHANGE AND SUPPORT AGREEMENT

THE REAL BROKERAGE INC.

AND

REAL PIPE, LLC

AND

THE PERSONS IDENTIFIED AS "INVESTORS" ON THE SIGNATURE PAGES HERETO

AND

ANY PERSON THAT BECOMES A HOLDER OF PREFERRED UNITS

December 2, 2020

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ARTICLE I
INTERPRETATION

EXCHANGE AND SUPPORT AGREEMENT

THIS AGREEMENT made the 2nd day of December, 2020,

AMONG:

THE REAL BROKERAGE INC., a corporation existing under the laws of British Columbia,

(hereinafter referred to as the "**Parent**")

- and -

REAL PIPE, LLC, a limited liability company existing under the laws of Delaware,

(hereinafter referred to as the **"Issuer**"),

- and -

The Persons identified as "Investors" on signature pages hereto,

(collectively, the "**Investors**", and each individually an "**Investor**"),

- and -

Any other Holder of Preferred Units, from time to time.

WHEREAS, as of the date hereof, the Investors are the beneficial holders of an aggregate of 17,286,842 Preferred Units (as defined herein);

AND WHEREAS the Parent and the Issuer have agreed to enter into this Agreement so as to recognize and/or provide for, *inter alia*, (a) the right of a Holder (as defined herein) to acquire Exchange Common Shares (as defined herein) in exchange for Preferred Units held by a Holder and (b) the reciprocal right of the Parent to acquire Preferred Units held by a Holder in exchange for Exchange Common Shares, all in accordance with the terms and conditions set out herein;

NOW THEREFORE THIS AGREEMENT WITNESSES THAT in consideration of the respective covenants and agreements of the parties herein contained and for other good and valuable consideration (the receipt and sufficiency of which are acknowledged by each party), the parties agree as follows:

ARTICLE I
INTERPRETATION

1.1 Defined Terms

For the purposes of this Agreement, unless the context otherwise requires, the following terms shall have the respective meanings set out below and grammatical variations of such terms shall have corresponding meanings.

"**Business Day**" means any day, other than: (a) a Saturday, Sunday or statutory holiday in the Provinces of Ontario or British Columbia or the State of New York; or (b) a day on which banks are generally closed in the Provinces of Ontario or British Columbia or the State of New York;

"**Capital Reorganization**" has the meaning given to that term in the LLC Agreement;

"**Common Shares**" means the common shares in the capital of the Parent;

"**Exchange Common Shares**" has the meaning given to that term in the LLC Agreement;

"**Exempt Purchaser**" means a Holder that: (i) is resident in Canada at the time of the exchange; or (ii) is resident in a jurisdiction outside of Canada, is not exercising the exchange in the United States or by or on behalf of a U.S. Person and will acquire Exchange Common Shares pursuant to an exemption from any prospectus or securities registration or similar requirements under the applicable securities laws of such jurisdiction or any other securities laws to which such Holder is otherwise subject and such exchange would not result in any obligation of the Parent or the Issuer to prepare and file a prospectus, an offering memorandum or similar document or any obligation of the Parent or the Issuer to make any filings with or seek any approvals of any kind from any regulatory body in such jurisdiction or any other ongoing reporting requirements with respect to such exchange or otherwise; or (iii) if in the United States or a U.S. Person on whose behalf such exchange is being made, is an "accredited investor" within the meaning of Rule 501(a) of Regulation D under the Securities Act or is otherwise permitted to acquire Exchange Common Shares pursuant to an available exemption from registration under the Securities Act and applicable state securities laws at the time of such exchange;

"**Exchange Rate**" has the meaning given to that term in the LLC Agreement;

"**Forced Exchange Date**" has the meaning given to that term in the LLC Agreement;

"**Forced Exchange Event**" has the meaning given to that term in the LLC Agreement;

"**Forced Exchange Notice**" has the meaning given to that term in the LLC Agreement;

"**Forced Exchange Right**" has the meaning given to that term in Section 2.2;

"**Governmental Entity**" means any domestic or foreign federal, provincial, regional, state, municipal, local or other government, governmental department, agency, arbitrator, authority or body (whether administrative, legislative, executive or otherwise), court, tribunal, commission or commissioner, bureau, minister or ministry, board or agency, or other regulatory or self-regulatory authority, including any securities regulatory authorities and stock exchange including the TSXV and any other Stock Exchange;

"**Guarantee Agreement**" means the subordinated guarantee agreement to be entered into between the Investors and the Parent on the date hereof;

"**Guaranteed Obligations**" has the meaning given to that term in the Guarantee Agreement;

"**Holder**" means a holder of Preferred Units from time to time and, on the date hereof, includes the Investors;

"**Investor(s)**" has the meaning given to that term in the recitals hereto;

"**Investor Rights Agreement**" means the Investor Rights Agreement dated as of the date hereof by and among the Parent, the Issuer and the Investors, as amended, supplemented, restated, converted, exchanged or replaced from time to time;

"**Issuer**" has the meaning given to that term in the recitals hereto;

"**Junior Shares**" has the meaning given to that term in the LLC Agreement;

"**Junior Stock**" shall mean the Junior Shares and the Junior Units;

"**Junior Units**" has the meaning given to that term in the LLC Agreement;

"**LLC Agreement**" means the amended and restated limited liability company agreement of the Issuer dated as of the date hereof among the Parent, the Issuer and the Investors;

"**Optional Exchange Date**" has the meaning given to that term in the LLC Agreement;

"**Optional Exchange Notice**" has the meaning given to that term in the LLC Agreement;

"**Optional Exchange Right**" has the meaning given to that term in Section 2.1;

"**Parent**" has the meaning given to that term in the recitals hereto;

"**Person**" has the meaning given to that term in the LLC Agreement;

"**Preferred Units**" shall mean the Preferred Units of the Issuer having the powers, preferences, rights, qualifications, limitations set forth in the LLC Agreement;

"**Purchase Agreement**" has the meaning given to that term in the LLC Agreement;

"**Reference Property**" has the meaning given to that term in the LLC Agreement;

"**Securities Act**" shall mean the U.S. Securities Act of 1933, as amended;

"**Stock Exchange**" has the meaning given to that term in the LLC Agreement;

"**Transaction Agreements**" has the meaning given to that term in the LLC Agreement;

"**TSXV**" means the TSX Venture Exchange or any successor thereto;

"**Units**" has the meaning given to that term in the LLC Agreement; and

"**U.S. Person**" means a "U.S. Person" as defined in Regulation S promulgated under the Securities Act, and includes, but is not limited to, an individual resident in the United States, an estate or trust of which any executor or administrator or trustee, respectively, is a U.S. Person and any partnership or corporation organized or incorporated under the laws of the United States.

1.2 Defined Terms in the LLC Agreement

Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to such terms in the LLC Agreement.

1.3 Rules of Construction

Except as may be otherwise specifically provided in this Agreement and unless the context otherwise requires, in this Agreement:

(a) the terms “Agreement”, “this Agreement”, “the Agreement”, “hereto”, “hereof”, “herein”, “hereby”, “hereunder” and similar expressions refer to this Agreement in its entirety and not to any particular provision hereof and include any schedules or exhibits thereto;

(b) references to an “Article” or “Section” followed by a number or letter refer to the specified Article or Section to this Agreement;

(c) the division of this Agreement into articles and sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement;

(d) words importing the singular number only shall include the plural and vice versa and words importing the use of any gender shall include all genders;

(e) the word “including” is deemed to mean “including without limitation”;

(f) the terms “party” and “the parties” refer to a party or the parties to this Agreement;

(g) any reference to this Agreement means this Agreement as amended, modified, replaced or supplemented from time to time;

(h) any reference to a statute, regulation or rule shall be construed to be a reference thereto as the same may from time to time be amended, re-enacted or replaced, and any reference to a statute shall include any regulations or rules made thereunder;

(i) all dollar amounts refer to currency of the United States of America;

(j) the word “day” means calendar day unless Business Day is expressly specified;

(k) any time period within which a payment is to be made or any other action is to be taken hereunder shall be calculated excluding the day on which the period commences and including the day on which the period ends; and

(l) whenever any action is required to be taken or period of time is to expire on a day other than a Business Day, such action shall be taken or period shall expire on the next following Business Day.

1.4 Entire Agreement

This Agreement and the other Transaction Agreements constitute the entire agreement between the parties with respect to the subject matter hereof and thereof and supersede all prior agreements, understandings, negotiations and discussions, whether written or oral. There are no conditions, covenants, agreements, representations, warranties or other provisions, express or implied, collateral, statutory or otherwise, relating to the subject matter hereof except as provided in this Agreement and the other Transaction Agreements.

1.5 Time of Essence

Time shall be of the essence of this Agreement.

1.6 Governing Law and Submission to Jurisdiction

(a) This Agreement and all matters, claims or actions (whether at law, in equity, in contract, in tort or otherwise) based upon, arising out of or relating to this Agreement or the negotiation, execution or performance of this Agreement, shall be interpreted and enforced in accordance with, and the respective rights and obligations of the parties shall be governed by, the laws of the State of Delaware applicable to contracts executed in and to be performed entirely within that State, regardless of the laws that might otherwise govern under any applicable conflict of laws principles.

(b) All matters, claims or actions arising out of or relating to this Agreement shall be heard and determined in the Chancery Court of the State of Delaware (or, if the Chancery Court of the State of Delaware declines to accept jurisdiction over any matter, claim or action, any state or federal court within the State of Delaware) and appellate courts therefrom and the parties hereto hereby irrevocably submit to the exclusive jurisdiction and venue of such courts in any such matter, claim or action and irrevocably waive the defense of an inconvenient forum or lack of jurisdiction to the maintenance of any such matter, claim or action. The consents to jurisdiction and venue set forth in this Section 1.6(b) shall not constitute general consents to service of process in the State of Delaware, shall have no effect for any purpose except as provided in this Section 1.6(b) and shall not be deemed to confer rights on any Person other than the parties hereto. Each party hereto agrees that service of process upon such party in any matter, claim or action arising out of or relating to this Agreement shall be effective if notice is given by overnight courier, with a copy by e-mail, at the address set forth in Section 4.1 of this Agreement. The parties hereto agree that a final judgment in any such matter, claim or action shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by applicable Law; provided that, nothing in the foregoing shall restrict any party's rights to seek any post-judgment relief regarding, or any appeal from, a final trial court judgment.

(c) EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE IT HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY MATTER, CLAIM OR ACTION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT AND ANY OF THE AGREEMENTS DELIVERED IN CONNECTION HEREWITH OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (A) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF ANY MATTER, CLAIM OR ACTION, SEEK TO ENFORCE THE FOREGOING WAIVER, (B) IT UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF SUCH WAIVER, (C) IT MAKES SUCH WAIVER VOLUNTARILY AND (D) IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVER AND CERTIFICATIONS IN THIS SECTION 1.6(c).

1.7 Severability

If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, all other provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party hereto. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties hereto as closely as possible in an acceptable manner to the end that transactions contemplated hereby are fulfilled to the extent possible.

ARTICLE II
EXCHANGE PROCEDURES

2.1 Optional Exchange Right

The Parent hereby grants to each Holder, as long as the Holder is an Exempt Purchaser at the time of such acquisition, the right (the "**Optional Exchange Right**") to acquire from the Parent, in exchange for the Holder delivering as consideration all or any part of the Preferred Units held from time to time by such Holder, that number of fully paid and non-assessable Exchange Common Shares equal to the number of Preferred Units exchanged by the Holder multiplied by the Exchange Rate of such Preferred Units (as adjusted pursuant to the LLC Agreement) on the Optional Exchange Date, all in accordance with the provisions of the LLC Agreement.

2.2 Forced Exchange Right

Notwithstanding the Optional Exchange Right, upon the occurrence of a Forced Exchange Event, the Parent shall have the right (the "**Forced Exchange Right**") to acquire directly from each Holder all, but not less than all, of the Preferred Units held from time to time by such Holder in consideration of that number of whole Exchange Common Shares for each such Preferred Unit equal to the Exchange Rate then in effect on the Forced Exchange Date, all in accordance with the provisions of the LLC Agreement; provided, however that in order for the Parent to exercise the Forced Exchange Right on the Forced Exchange Date, the Common Shares are listed and posted for trading on a Stock Exchange and no order ceasing or suspending trading in Common Shares or prohibiting the sale or issuance of Common Shares has been issued and no (formal or informal) proceedings for such purpose are pending or, to the knowledge of the Parent or the Issuer, have been threatened.

2.3 Optional Exchange Notice

The Optional Exchange Right may be exercised by a Holder by delivery by such Holder of the Optional Exchange Notice to the Parent and the Issuer in the manner and in accordance with the procedures set out in the LLC Agreement.

2.4 Forced Exchange Notice

The Forced Exchange Right may be exercised by the Parent and the Issuer by the delivery by the Parent and the Issuer of the Forced Exchange Notice to each Holder in the manner and in accordance with the procedures set out in the LLC Agreement.

2.5 Exchange Procedure

The Parent shall issue to the Holder the Exchange Common Shares (or, following a Capital Reorganization, the Reference Property) due upon exchange of the Preferred Units as of the Optional Exchange Date or the Forced Exchange Date, as applicable, all in accordance with the procedures set out in the LLC Agreement.

2.6 Representations of the Parent

The Parent hereby represents, warrants and covenants in favour of the Holders as follows:

(a) it is a corporation existing under the laws of the Province of British Columbia and has the requisite power and authority to own, lease and operate its properties and to conduct its business;

(b) it has all requisite legal and corporate power and authority to execute and deliver this Agreement and to perform its obligations hereunder;

(c) it has duly authorized, executed and delivered this Agreement, and, upon acceptance by the Investors, this Agreement will constitute a valid and binding agreement of the Parent, enforceable against the Parent in accordance with its terms, except as limited by applicable bankruptcy, insolvency, reorganization or other laws of general application affecting enforcement of creditors' rights and general principles of equity that restrict the availability of equitable remedies;

(d) no consent, approval, authorization, order or agreement of, or registration, filing or qualification with, or any other action by, any Governmental Entity or other Person is required for the execution, delivery or performance of this Agreement by the Parent;

(e) neither the entering into, delivery or performance of this Agreement nor the completion of the transactions contemplated in hereby, in the LLC Agreement or any other Transaction Agreement, in each case, by the Parent will: (i) conflict with or result in the violation or breach of any of the provisions of the articles or by-laws of the Parent, (ii) conflict with, or result in a breach or violation of any of the terms of, or constitute a default under, or result in the creation or imposition of any lien or right of any other Person upon any assets of the Parent pursuant to any agreement or other instrument to which the Parent is a party or by which the Parent is bound or to which any of the assets of the Parent is subject, or (iii) result in the violation of any law applicable to the Parent;

(f) any Common Shares deliverable upon exchange of the Preferred Units pursuant to the LLC Agreement and the terms hereof will be duly authorized and validly issued as fully paid and non-assessable, free and clear of any liens, claims, rights or encumbrances, other than those arising under law;

(g) it has reserved for issuance and will, at all times while any Preferred Units are outstanding, keep available, free from pre-emptive and other rights granted by the Parent, such number of Common Shares as are deliverable upon exchange of the outstanding Preferred Units pursuant to the LLC Agreement and the terms hereof; and

(h) it will make such filings and take such other reasonable commercial steps as may be necessary in order that the Common Shares deliverable upon exchange of the Preferred Units will be approved for listing and posted for trading on the TSXV or any Stock Exchange on which the Common Shares then trade, on the date of issuance of such Common Shares.

2.7 Holders' Acknowledgements

The Holders acknowledge that hold periods under applicable securities laws and the policies of the Stock Exchange may apply to any transfer of the Exchange Common Shares and prior to the expiry of any such applicable hold period, the certificates representing the Exchange Common Shares, if any, will bear such legend or legends as may, in the reasonable opinion of counsel to the Parent and the Issuer, be necessary in order to avoid a violation of any securities laws or to comply with the requirements of the Stock Exchange, provided that, at any time, in the opinion of counsel to the Parent and the Issuer, such legends are no longer necessary in order to avoid a violation of any such Laws, or the Holder of any such legended certificate, at the Holder's expense, provides the Parent and the Issuer with evidence reasonably satisfactory in form and substance to the Parent and the Issuer (which may include an opinion of counsel reasonably satisfactory to the Parent and the Issuer) to the effect that such Holder is entitled to sell or otherwise transfer such Preferred Units and Exchange Common Shares in a transaction in which such legends are not required, such legended certificate may thereafter be surrendered to the Parent and the Issuer in exchange for a certificate which does not bear such legend.

2.8 Transfer Taxes

All stock transfer or similar taxes (other than income or similar taxes) which are required to be paid in connection with any exchange of Preferred Units for Exchange Common Shares by a Holder hereunder will be, or will have been, fully paid or provided for by Parent; provided, that if a Holder requests or requires that any Exchange Common Shares are issued to a person other than such Holder signatory hereto, such Holder shall pay any such taxes imposed or required to be collected, and the Holder shall comply in all material respect with its obligations under any Laws imposing such taxes.

2.9 Fractional Shares

For the avoidance of doubt, Section 6.6 of the LLC Agreement will govern the terms of any exchange occurring pursuant to the exercise of the Optional Exchange Right and/or the Forced Exchange Right.

2.9 Dividends

The Parent acknowledges and agrees that it will not declare or make a distribution on its Common Shares unless the Issuer simultaneously declares, pays or makes, as the case may be, the dividend or distribution on the Preferred Units as provided in Section 6.2 of the LLC Agreement.

ARTICLE III
COVENANTS OF THE PARENT AND THE HOLDERS

3.1 Support Obligations

The Parent covenants and agrees with the Holders that, for so long as any Preferred Units remain outstanding:

(a) it will continue to directly or indirectly own all of the Units of the Issuer, other than the Preferred Units held by the Holders, and maintain the ability to elect a majority of the board of directors of the Issuer;

(b) it will, upon direction by the Issuer, cause the issuance and delivery to the Holders of such number of Common Shares necessary to satisfy the Issuer's obligations upon an exchange of Preferred Units pursuant to the LLC Agreement and in accordance with the terms hereof;

(c) it will not declare or pay any dividends on the Common Shares or any other class of shares in the capital of the Parent that ranks on a parity with or junior to the Common Shares as to dividend rights or rights upon the liquidation, winding-up or dissolution of the Parent;

(d) upon liquidation, winding-up or dissolution of the Issuer and/or the Parent, the Guaranteed Obligations will rank senior to the Junior Stock;

(e) it will not exercise any voting or consent rights which may be exercisable by the Holders of Preferred Units in accordance with the LLC Agreement or pursuant to applicable law with respect to any Preferred Units held by the Parent, and will cause its Affiliates not to exercise any such voting or consent rights with respect to any Preferred Units held by such Affiliates; and

(f) in the event that it holds any Preferred Units, it will take such action as is necessary such that such Preferred Units will no longer remain outstanding.

3.2 Transfer of Preferred Units

The rights and obligations of a Holder hereunder may be assigned, transferred or otherwise granted, in whole or in part, without prior written consent of any other party hereto to any transferee to whom such Holder validly transfers any of its Preferred Units in accordance with the LLC Agreement and the Investor Rights Agreement (as such term is defined in the LLC Agreement) provided such Holder shall cause such transferee to execute and deliver to the Parent a joinder agreement, in form reasonably satisfactory to the Parent, pursuant to which such transferee agrees to be bound by the terms and conditions of this Agreement.

ARTICLE IV
MISCELLANEOUS

4.1 Notices

(a) Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be delivered in person, transmitted by e-mail or similar means of recorded electronic communication or sent by registered mail, charges prepaid, addressed as follows:

(i) in the case of the Parent: 133 Richmond Street West
Toronto, Ontario M5H 2L3
Attention: Tamir Poleg, Chief Executive Officer
E-mail: [*redacted*]

(ii) in the case of the Issuer:

133 Richmond Street West
Toronto, Ontario M5H 2L3

Attention: Tamir Poleg and Michelle Ressler
E-mail: *[redacted]; [redacted]*

with a copy to:

Gowling WLG (Canada) LLP

1 First Canadian Place
100 King Street West, Suite 1600
Toronto, Ontario M5X 1G5

Attention: Jason A. Saltzman
E-mail: *[redacted]*

(ii) in the case of a Holder, to the address of the Holder contained on the register of Holders maintained by the Issuer.

(b) Any such notice or other communication shall be deemed to have been given and received on the day on which it was delivered or transmitted by email or personally by hand (or, if such day is not a Business Day or if delivery or transmission is made on a Business Day after 5:00 p.m. (Toronto time) at the place of receipt, then on the next following Business Day) or, if mailed by internationally recognized overnight courier, on the Business Day following the date of mailing; provided, however, that if at the time of mailing or within two Business Days thereafter there is or occurs a labour dispute or other event which might reasonably be expected to disrupt the delivery of documents by mail, any notice or other communication hereunder shall be delivered or transmitted by means of recorded electronic communication as aforesaid.

(c) Any party may at any time change its address for service from time to time by giving notice to the other parties in accordance with this Section 4.1.

4.2 Amendments and Waivers

This Agreement (or any provision hereof) may only be amended, supplemented or otherwise modified or waived (a) by written agreement signed by the Parent, the Issuer and Holders representing at least two-thirds of the outstanding Preferred Units, and (b) solely to the extent required by the applicable rules and regulations of the TSXV and any other applicable Stock Exchange, subject to approval thereof. No waiver of any provision of this Agreement shall constitute a waiver of any other provision, nor shall any waiver of any provision of this Agreement constitute a continuing waiver unless otherwise expressly provided.

4.3 Successor

The Parent shall not effect a Capital Reorganization, other than a Change of Control, unless, as applicable: (i) the resulting Person or continuing corporation (herein called the "**Parent Successor**"), by operation of law, shall become, without more, bound by the terms and provisions of this Agreement; (ii) if not so bound, the Parent Successor shall execute, prior to or contemporaneously with the consummation of such transaction, an agreement supplemental hereto and such other instruments (if any) to evidence the assumption by the Parent Successor of the obligations of the Parent under this Agreement; or (iii) the parties agree to amend this Agreement in accordance with Section 4.2, as reasonably necessary, in order that this Agreement shall apply with full force and effect, *mutatis mutandis*, to all new securities into which Common Shares are changed as a result of such Capital Reorganization.

4.4 Assignment

No party may assign any of its rights or benefits under this Agreement, or delegate any of its duties or obligations, except in accordance with Section 3.2 (in which case, consent is not required) or with the prior written consent of the other parties. Any other purported assignment, transfer or delegation other than in accordance with this Section 4.4 shall be null and void.

4.5 Successors and Assigns

This Agreement shall enure to the benefit of and shall be binding on and enforceable by and against the parties and their respective successors or heirs, executors, administrators and other legal personal representatives, and permitted assigns.

4.6 Further Assurances

Each of the parties hereto shall, from time to time hereafter and upon any reasonable request of the other, promptly do, execute, deliver or cause to be done, executed and delivered all further acts, documents and things as may be required or necessary for the purposes of giving effect to this Agreement.

4.7 Counterparts

This Agreement and all documents contemplated by or delivered under or in connection with this Agreement may be executed and delivered in any number of counterparts, with the same effect as if all parties had signed and delivered the same document, and all counterparts shall be construed together to be an original and will constitute one and the same agreement.

4.8 Liability of the Parent and the Issuer

Each of the Parent and the Issuer agree and acknowledge that any breach of this Agreement by, or the failure to perform any obligation in accordance with the terms of this Agreement of, the Issuer shall be deemed to be a breach of this Agreement by, or failure to perform such obligation of, the Parent, and the Parent shall be fully and directly liable for any and all damages relating to, arising from or suffered in connection with such breach or failure. Subject to and in accordance with Article 4 of the Purchase Agreement, each of the Parent and the Issuer agrees, jointly and severally, to indemnify, hold harmless and defend each Holder from and against any and all losses, liabilities, costs, damages, taxes, judgments, claims or other expenses (including attorneys' fees) related to, in connection with or arising out of any exchange occurring pursuant to the Optional Exchange Right and/or the Forced Exchange Right not being completed in accordance with the terms and conditions of this Agreement and the LLC Agreement.

4.9 Right to Injunctive Relief

Each of the parties hereby acknowledges and agrees that in the event of a breach or threatened breach of any of its covenants hereunder, the harm suffered would not be compensable by monetary damages alone and, accordingly, in addition to other available legal or equitable remedies available to such party, each Holder (in respect of any breach of this Agreement by the Parent or the Issuer) and the Parent or the Issuer (in respect of any breach of this Agreement by any Holder) shall be entitled to apply for an injunction or specific performance with respect to such breach or threatened breach, without proof of actual damages (and without the requirement of posting a bond, undertaking or other security in connection with such action), and each of the parties hereby agrees not to plead sufficiency of damages as a defence in such circumstances.

4.10 Certain Transactions

In the event of any stock split, reverse stock split, stock dividend or distribution, subdivision, or any change in the Common Shares or the Preferred Units by reason of any recapitalization, combination, reclassification, exchange of shares, merger, consolidation, partial or complete liquidation, share dividend, split-up, sale of assets, distribution to equityholders or similar transactions or changes in the Parent's or the Issuer's capital structure, (a) the terms "Common Shares" and "Preferred Units" used herein shall, as applicable, be deemed to refer to and include all such dividends and distributions and any other securities into which or for which any or all of such securities may be changed or exchanged or which are received in such transaction and (b) the Parent and the Issuer agree that appropriate adjustments shall be made to this Agreement as necessary to ensure that the Investors have, immediately after consummation of such transaction, substantially the same rights with respect to the Parent, the Issuer or another issuer of securities, as applicable, as they have immediately prior to the consummation of such transaction under this Agreement.

4.11 Several Obligations

The obligations of each Investor under this Agreement shall be several, and not joint.

4.12 Non-Recourse

Notwithstanding anything to the contrary in this Agreement, (a) this Agreement may only be enforced against, and any action, dispute, claim, suit or other proceeding for breach of this Agreement may only be made against, the Persons that are expressly identified herein and/or are parties hereto, (b) none of (i) the former, current and future Affiliates, directors, officers, managers, employees, advisors, representatives, shareholders, members, managers, partners, successors and assigns of the Investors or any Affiliate thereof or any former, current and future Affiliate, director, officer, manager, employee, advisor, representative, shareholder, member, manager, partner, successor and assign of any of the foregoing (collectively, "**Investor Related Parties**") shall have any liability for any liabilities or obligations of the parties hereto for any action, dispute, claim, suit or other proceeding (whether in tort, contract or otherwise) for breach of this Agreement or in respect of any representations made or alleged to be made in connection herewith, (c) none of the Parent, the Issuer nor or their respective Affiliates shall have any rights of recovery in respect hereof against any Investor Related Party and (d) no personal liability shall attach to any Investor Related Party through the Investors or otherwise, whether by or through attempted piercing of the corporate veil, by or through an action, dispute, claim, suit or other proceeding (whether in tort, contract or otherwise), by the enforcement of any judgment, fine or penalty or by virtue of any statute, regulation or other applicable Law, or otherwise; provided that, for the avoidance of doubt, nothing in this Section 4.12 shall restrict or limit the rights or obligations of a Person under any other Transaction Agreement to which such Person is a party.

4.13 Conflict

To the extent that there is any inconsistency between the terms of this Agreement and the terms of the LLC Agreement, the terms of the LLC Agreement shall govern to the extent of the inconsistency.

[The remainder of this page has been intentionally left blank. Signature page follows.]

IN WITNESS WHEREOF, this Agreement has been executed by the parties on the date first written above.

PARENT:

THE REAL BROKERAGE INC.

Per: *signed "Tamir Poleg"*
Name: Tamir Poleg
Title: Chief Executive Officer

ISSUER:

REAL PIPE, LLC

Per: *signed "Michelle Ressler"*
Name: Michelle Ressler
Title: Manager

INVESTORS:

INSIGHT PARTNERS XI, L.P.
Insight Associates XI, L.P., its general partner
Insight Associates XI, Ltd., its general partner

Per: *signed "Andrew Prodromos"*
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS (CAYMAN) XI, L.P.
Insight Associates XI, L.P., its general partner
Insight Associates XI, Ltd., its general partner

Per: *signed "Andrew Prodromos"*
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS XI (CO-INVESTORS), L.P.
Insight Associates XI, L.P., its general partner
Insight Associates XI, Ltd., its general partner

Per: *signed "Andrew Prodromos"*
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS XI (CO-INVESTORS) (B), L.P.
Insight Associates XI, L.P., its general partner
Insight Associates XI, Ltd., its general partner

Per: *signed "Andrew Prodromos"*
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS (DELAWARE) XI, L.P.
Insight Associates XI, L.P., its general partner
Insight Associates XI, Ltd., its general partner

Per: *signed "Andrew Prodromos"*
Name: Andrew Prodromos
Title: Authorized Officer

INSIGHT PARTNERS (EU) XI, S.C.Sp.
Insight Associates (EU) XI, S.a.r.l., its general partner

Per: *signed "Andrew Prodromos"*
Name: Andrew Prodromos
Title: Authorized Officer

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1 — Name and Address of Company

The Real Brokerage Inc. (the "**Corporation**")
133 Richmond Street West
Suite 302
Toronto, Ontario
M5H 2L3

Item 2 — Date of Material Change

The date of the first material change was December 2, 2020 (the "**First Material Change**"), the date of the second material change (the "**Second Material Change**") and the third material change (the "**Third Material Change**") was December 3, 2020.

Item 3 — News Release

A news release disclosing the First Material Change was disseminated by the Corporation through the services of PRNewswire on December 3, 2020. The Second Material Change and Third Material Changes were disseminated by the Corporation through the services of PRNewswire on December 9, 2020. Both press releases were subsequently filed on SEDAR.

Item 4 — Summary of Material Change

This First Material Change applies to an investment in the Corporation by the following private equity funds indirectly controlled by Insight Holdings Group, LLC: Insight Partners XI, L.P.; Insight Partners (Cayman) XI, L.P.; Insight Partners XI (Co-Investors), L.P.; Insight Partners XI (Co-Investors) (B), L.P.; Insight Partners (Delaware) XI, L.P.; and Insight Partners (EU) XI, S.C.Sp. (each individually an "**Investor**" and collectively, the "**Investors**") for gross proceeds of US$20 million (approximately C$26.28 million). The Investors were issued (i) preferred units (the "**Preferred Units**") of a newly and wholly owned subsidiary of the Corporation, Real PIPE, LLC formed under the laws of the State of Delaware (the "**Subsidiary**"), that are exchangeable into common shares (the "**Common Shares**") of the Corporation and (ii) share purchase warrants of the Corporation that are exercisable for Common Shares (the "**Warrants**").

The Second Material Change concerns the expansion of the Corporation's operations to Ohio.

The Third Material Change applies to the issuance of Restricted Share Units ("**RSUs**") to certain officers of the Corporation.

Item 5 — Full Description of Material Change

5.1 — Full Description of Material Change

On December 2, 2020, the Investors entered into a securities subscription agreement (the "**Securities Subscription Agreement**") with the Corporation and the Subsidiary, pursuant to which (i) the Subsidiary issued an aggregate of 17,286,842 Preferred Units (the "**Purchased Preferred Units**") to the Investors, and (ii) the Corporation issued an aggregate of 17,286,842 Warrants (the "**Purchased Warrants**", and together with the Purchased Preferred Units, the "**Purchased Securities**") to the Investors for aggregate consideration of C$26,275,999.84 (collectively, the "**Transaction**"). As part of the Transaction, the parties also entered an LLC Agreement, an Investor Rights Agreement, a Registration Rights Agreement, an Exchange and Support Agreement, and a Subordinated Guarantee Agreement (each as defined below and collectively, the "**Transaction Agreements**").

The summary descriptions of the Transaction Agreements included herein do not purport to be complete and are qualified in their entirety by reference to complete copies of such documents to be filed under the Corporation's profile at www.sedar.com.

Each Purchased Warrant evidences the right of the holder of such Purchased Warrant to subscribe for and purchase one Common Share at an exercise price of C$1.90 per Common Share (the "**Exercise Price**"), all in accordance with the terms of the Warrant Certificates (as defined below). The Purchased Warrants expire at 5:00 p.m. on December 2, 2025, subject to the acceleration of such expiry date at the option of the Corporation upon the occurrence of a Forced Exchange Event (as defined in the LLC Agreement).

Immediately prior to the entering into of the Transaction, none of the Investors had ownership or control over any securities in the capital of the Corporation.

Upon closing of the Transaction, the Investors own, collectively, an aggregate of (i) 17,286,842 Preferred Units and (ii) 17,286,842 Warrants. In the aggregate, the Purchased Securities represent 19.39% of the issued and outstanding Common Shares, assuming, at closing of the Transaction, (a) the exchange of all of the Purchased Preferred Units owned or controlled by the Investors for Common Shares in accordance with the terms of the LLC Agreement and the Exchange and Support Agreement and (b) the exercise of all of the Purchased Warrants owned or controlled by the Investors for Common Shares in accordance with the terms of the Warrant Certificates.

Securities Subscription Agreement

The Securities Subscription Agreement included customary representations, warranties and covenants of the Corporation, the Subsidiary and the applicable Investor and set out the following terms of the Purchased Securities purchased thereunder:

The Purchased Preferred Units are exchangeable into Common Shares at any time, at the option of the Investors, for that number of Common Shares for each Preferred Unit equal to the quotient of (i) C$1.52 plus any declared and unpaid dividends owing to the holders of Preferred Units in accordance with the terms of the LLC Agreement and the Exchange and Support Agreement (each as defined below) (the "**Liquidation Preference**"), divided by (ii) C$1.52 (the "**Exchange Price**") (such quotient, as applicable, the "**Exchange Rate**"). The Liquidation Preference, the Exchange Price and the Exchange Rate are subject to adjustment from time to time in accordance with the terms of the LLC Agreement and the Exchange and Support Agreement. Pursuant to the LLC Agreement, upon the occurrence of a Forced Exchange Event, the Subsidiary shall have the right to cause all, but not less than all, of the issued and outstanding Preferred Units to be exchanged for that number of Common Shares for each Preferred Unit equal to the Exchange Rate then in effect (a "**Forced Exchange**"), all in accordance with the terms of the LLC Agreement and the Exchange and Support Agreement.

LLC Agreement

The Corporation, the Subsidiary and the Investors entered into an amended and restated limited liability company agreement at time of closing of the Transaction (the "**LLC Agreement**") in respect of the Subsidiary formed under the laws of the State of Delaware. Michelle Ressler, the Chief Financial Officer of the Corporation, is the sole manager of the Subsidiary. The LLC Agreement provides for the rights and privileges attaching to the Preferred Units. Key terms of the Preferred Units include, but are not limited to:

(a) If the Corporation declares and pays a dividend or similar payment or distribution to its shareholders, the Corporation must cause the Subsidiary to simultaneously declare and pay to holders of Preferred Units the same dividend per Preferred Unit that such holder would receive if he, she, or it were to have exchanged the Preferred Unit for Common Shares of the Corporation in accordance with the terms of the LLC Agreement and the Exchange and Support Agreement.

(b) The Purchased Preferred Units are exchangeable into Common Shares at any time, at the option of the Investors, for that number of Common Shares for each Preferred Unit equal to the Exchange Rate. The Liquidation Preference, the Exchange Price and the Exchange Rate are subject to adjustment from time to time in accordance with the terms of the LLC Agreement and the Exchange and Support Agreement.

(c) Upon the occurrence of a Forced Exchange Event, the Corporation shall have the option to exercise a Forced Exchange in accordance with the terms of the LLC Agreement and the Exchange and Support Agreement.

(d) In the event of a voluntary or involuntary liquidation, winding up or dissolution of the Subsidiary and/or the Corporation (in each case, a "**Liquidation**"), each holder of Preferred Units shall be entitled to, in respect of each Preferred Unit held, the Liquidation Preference, to be paid out of the assets of the Subsidiary available for distribution, in preference to the holders of, and before any payment or distribution is made or set aside for, (I) any other units of the Subsidiary the terms of which do not expressly provide that such class or series ranks senior to or on a parity with the Preferred Units as to distribution rights or rights upon a Liquidation of the Subsidiary and (II) any other equity security of the Corporation, the terms of which do not expressly provide that such class or series ranks senior to the Common Shares.

(e) The Preferred Units will not entitle the Investors to vote as shareholders of the Corporation.

Investor Rights Agreement

The Corporation, the Subsidiary and the Investors entered into an investor rights agreement at time of closing of the Transaction (the "**Investor Rights Agreement**"), pursuant to which the Investors shall be entitled to:

(a) participation rights (including advance notice) with respect to future offerings of Common Shares and to issuances of securities convertible, exchangeable, or exercisable into Common Shares (subject to certain limitations as set forth in the Investor Rights Agreement), for so long as the Beneficial Ownership Requirement is satisfied (as such term is defined below);

(b) board nomination rights, pursuant to which the Investors (acting together) may designate one nominee (the "**Investor Nominee**") for election to the board of directors of the Corporation for so long as the Beneficial Ownership Requirement is satisfied; and

(c) certain other governance rights, including the right to approve certain actions proposed to be taken by the Corporation and any of its subsidiaries (including the Subsidiary), as more particularly set out in the Investor Rights Agreement, for so long as the Beneficial Ownership Requirement is satisfied.

Pursuant to the Investors Rights Agreement, the Investors shall certain retain rights as described in paragraphs (a), (b) and (c) above so long as the Investors satisfy certain ownership thresholds of the Company (the "**Beneficial Ownership Requirement**"). The Beneficial Ownership Requirement shall be satisfied so long as the Investors and/or their affiliates beneficially own or control, directly and/or indirectly, in the aggregate, (a) such number of Preferred Units, Warrants, and/or Common Shares (including Common Shares owned or controlled as a result of the exchange of any Preferred Units or the exercise of any Warrants or the Participation Right (as defined in the Investors Rights Agreement) that is equal to at least 2% of the number of Common Shares issued and outstanding at such relevant date, (b) Preferred Units, Warrants and/or Common Shares (including Common Shares owned or controlled as a result of the exchange of any Preferred Units, or the exercise of any Warrants or the Participation Right) with a Fair Market Value that is equal to at least US$10 million as at such relevant date

At the closing of the Transaction, the Corporation increased the size of its board of directors from four members to five members and AJ Malhotra joined the board as the Investor Nominee.

Pursuant to the Investor Rights Agreement, the Investors will be subject to a standstill (the "**Standstill**"), which, among other things, restricts the Investors and its joint actors from taking certain actions with respect to the Corporation and the Subsidiary, including but not limited to the acquisition of additional Common Shares (or any securities convertible, exercisable, or exchangeable into Common Shares) in an amount that brings the beneficial ownership, direction, or control of the Investors, collectively and with their joint actors, over 19.99% of the issued and outstanding Common Shares. The Standstill will continue until the later to occur of (i) the date that is 12 months after the date of the Investor Rights Agreement and (ii) the date on which no Investor Nominee serves as a director on the Corporation's board of directors.

Pursuant to the Investor Rights Agreement, the Investor will also be subject to certain transfer restrictions that prohibit it from transferring any Preferred Units prior to the date that is one year after the date on which the Investor Rights Agreement was entered into, subject to certain exceptions.

Registration Rights Agreement

The Corporation and the Investors entered into a registration rights agreement at time of closing of the Transaction (the "**Registration Rights Agreement**") providing certain registration and other rights to Investors in respect of the Exchange Common Shares and other Common Shares issued or distributed by way of stock dividend, stock split or distribution, or in connection with a combination of shares, and any security into which such Common Shares shall have been converted or exchanged in connection with a recapitalization, reorganization, reclassification, merger, consolidation, exchange, distribution or otherwise (the "**Registrable Securities**").

Pursuant to the Registration Rights Agreement, within 60 days of the Corporation listing or posting for trading on a nationally recognized stock exchange in the United States, the Corporation is required to file a registration statement with the Securities and Exchange Commission that covers the resale of the Registrable Securities, in such a form as to permit the selling holder covered by the registration statement to sell such Registrable Security at any time beginning on the date that the registration statement was filed and declared effective by the Securities and Exchange Commission. The Investors may request to sell all or any portion of their Registrable Securities by way of underwritten offering, beginning six months after the filing of a registration statement and subject to other conditions as set out in the Registration Rights Agreement. The Corporation shall not be required to effect more than two registrations by way of underwritten offering.

The Investor will also have piggyback registration rights on underwritten offerings initiated by the Corporation. The demand registration and piggyback rights granted to the Investor pursuant to the Registration Rights Agreement terminate on the five-year anniversary the date of execution of the Registration Rights Agreement.

If the Common Shares are not listed or posted for trading on a nationally recognized stock exchange in the United States on or prior to the one-year anniversary of the date of execution of the Registration Rights Agreement, then the provisions of the Registration Rights Agreement shall be deemed to apply to distributions or offerings of Common Shares under Canadian securities laws, mutatis mutandis.

Exchange and Support Agreement

The Corporation, the Subsidiary and the Investors entered into an exchange and support agreement at time of closing of the Transaction (the "**Exchange and Support Agreement**") providing for, among other things, the grant by the Corporation to each holder of Preferred Units, from time to time, of the right to exchange Preferred Units for Common Shares on the terms provided for in the LLC Agreement (collectively, the "**Exchange Rights**"). The Exchange Rights were distributed to the Investors pursuant to the exemption contained in Section 2.3 of Ontario Securities Commission Rule 72-503 – *Distributions Outside Canada*. Neither the Exchange Rights nor the Common Shares issuable on exercise of the Exchange Rights will be subject to a regulatory hold period. If issued within four (4) months from the date of closing of the Transaction, the Common Shares issuable on exercise of the Exchange Rights will be subject to an "Exchange Hold Period" as such term is defined under the policies of the TSX Venture Exchange.

Subordinated Guarantee Agreement

The Corporation and the Investors entered into a subordinated guarantee agreement at time of closing of the Transaction (the "**Subordinated Guarantee Agreement**"), pursuant to which the Corporation, as guarantor, will guarantee all of the obligations of the Subsidiary pursuant to the terms of the LLC Agreement. Such guarantee will rank junior to any senior indebtedness of the Corporation as more particularly set out in the Subordinated Guarantee Agreement.

Warrant Certificate

The Corporation entered into the warrant certificates at time of closing of the Transaction (the "**Warrant Certificates**"), pursuant to which, as described above, each Purchased Warrant may be exercised for one Common Share for an amount equal to the Exercise Price. Under the terms of the Warrant Certificates, the Purchased Warrants expire at 5:00 p.m. on December 2, 2025, subject to the acceleration of such expiry date at the option of the Corporation upon the occurrence of a Forced Exchange Event. The Purchased Warrants were distributed to the Investors pursuant to the exemption contained in Section 2.3 of Ontario Securities Commission Rule 72-503 – *Distributions Outside Canada*. Neither the Purchased Warrants nor the Common Shares issuable on exercise of the Purchased Warrants will be subject to a regulatory hold period.

Expansion to Ohio

The Corporation expanded its operations to Ohio with an initial focus on the Cleveland and Columbus metropolitan areas. As part of the expansion, Mr. Joel Gableman joined the company as an agent and will serve as the Company's growth leader for the state. Mr. Ed Hazners has also joined the Corporation and will serve as the Corporation's managing broker in Ohio.

RSU Issuances

The Second Material Change occurred on December 3, 2020. A total of 2,000 RSUs were granted to certain officers of Real and are payable in common shares. The RSUs will vest over a three-year period.

5.2 — Disclosure for Restructuring Transactions Not applicable.

Item 6 — Reliance on subsection 7.1(2) of National Instrument 51-102

Not applicable.

Item 7 — Omitted Information

Not applicable.

Item 8 — Executive Officer

Tamir Poleg
Chief Executive Officer
Telephone: 646-469-7107

Item 9 — Date of Report

December 11, 2020

The Real Brokerage Inc. Acquires Certain Business Assets of RealtyCrunch Inc.

NEWS PROVIDED BY
The Real Brokerage Inc.
Jan 11, 2021, 07:30 ET

TORONTO and NEW YORK, Jan. 11, 2021 /PRNewswire/ -- The Real Brokerage Inc. (Real) (TSXV: REAX) (OTCQX: REAXF) announced today that it has completed the acquisition of the business assets and intellectual property of RealtyCrunch Inc.

RealtyCrunch is a collaboration web and mobile app for home buyers and real estate agents. Launched in September 2020, it has already attracted over 2,000 real estate agents in the US who use it to streamline communication and document signing with their clients.

Pritesh Damani, the founder and CEO of RealtyCrunch and additional RealtyCrunch employees have joined Real as part of the acquisition. Pritesh has assumed the role of chief product officer with Real's wholly-owned subsidiary, Real Broker LLC, to continue his journey in real estate product innovation.

We have a united vision of using smart technology to reduce complexity and increase flexibility for real estate agents.

"I was impressed by the rapid development and adoption of the RealtyCrunch product, and I am thrilled to welcome Pritesh and his team to Real," said Tamir Poleg, co-founder and CEO of Real. "Together we will shape the future of the real estate brokerage industry with transformational software tools for Real's agents and their clients."

"Real has made enormous strides in 2020. We are excited to build the brokerage of the future together," said Damani. "We have a united vision of using smart technology to reduce complexity and increase flexibility for real estate agents and their clients. I believe this will be a hugely beneficial combination for Real's agents and the real estate brokerage industry."

The transaction was satisfied in cash for an aggregate purchase price of US $1,100,000 plus 184,275 common share purchase warrants of Real. Each Real warrant is exercisable into one common share of Real at a price of Cdn $1.36 for a period of four years from the closing date.

Pritesh Damani was granted 2,130,773 stock options of Real pursuant to Real's stock option plan at a price of $1.11 for a ten year term. The options granted to Damani are subject to a four year vesting period.

Separately, Real has granted an aggregate of 4,000 restricted share units (each, an "RSU") to certain senior officers. The RSUs were awarded based on the closing price of Real's common shares on January 4, 2021 and will vest in their entirety on January 5, 2024.

About Real
Real (www.joinreal.com) is a technology-powered real estate brokerage in 22 U.S. states and the District of Columbia. Real is on a mission to make agents' lives better, creating financial opportunities for agents through higher commission splits, best-in-class technology, revenue sharing and equity incentives.

Contact Information:
For more details, please contact:
The Real Brokerage Inc.
Lynda Radosevich
lynda@joinreal.com
917-922-7020

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities of the Company will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act, and may not be offered or sold within the United States or to, or for the account or benefit of U.S. persons except in certain transactions exempt from the registration requirements of the U.S. Securities Act)

Forward-looking Information

This press release contains forward-looking information within the meaning of applicable Canadian securities laws. Forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "expect", "likely" and "intend" and statements that an event or result "may", "will", "should", "could" or "might" occur or be achieved and other similar expressions. These statements reflect management's current beliefs and are based on information currently available to management as at the date hereof. Forward- looking information in this press release includes, without limiting the foregoing, financial and business prospects, as well as statements regarding Real's future plans, objectives or economic performance.

Forward-looking information is based on assumptions that may prove to be incorrect, including but not limited to Real's business objectives, expected growth, results of operations, performance, business projects and opportunities and financial results. Real considers these assumptions to be reasonable in the circumstances. However, forward-looking information is subject to known and unknown risks, uncertainties and other factors that could cause actual results, performance or achievements to differ materially from those expressed or implied in the forward-looking information. These factors should be carefully considered and readers should not place undue reliance on the forward-looking statements. Although the forward-looking statements contained in this press release are based upon what management believes to be reasonable assumptions, Real cannot assure readers that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this press release, and Real assumes no obligation to update or revise them to reflect new events or circumstances, except as required by law.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release, and the OTCQX has neither approved nor disapproved the contents of this press release.

SOURCE The Real Brokerage Inc.

Related Links
https://www.joinreal.com

ASSET PURCHASE AGREEMENT

BETWEEN

REALTYCRUNCH INC.

– and –

REAL BROKER, LLC

– and –

THE REAL BROKERAGE INC.

JANUARY 8, 2021

TABLE OF CONTENTS

ASSET PURCHASE AGREEMENT

THIS AGREEMENT is dated January 8, 2021

B E T W E E N :

REALTYCRUNCH INC., a corporation incorporated under the laws of Delaware

(the "**Seller**")

- and -

REAL BROKER, LLC, a limited liability company formed under the laws of Texas

(the "**Buyer**")

- and -

THE REAL BROKERAGE INC, a company incorporated under the laws of the Province of British Columbia

(the "**Parent**")

CONTEXT:

A. The Seller carries on the business of being a collaboration web and mobile application for home buyers and real estate agents in the United States (the "**Business**").

B. The Seller wishes to sell, and the Buyer wishes to purchase, certain of the Seller's assets that are used in connection with the Business.

C. The Buyer is a wholly-owned subsidiary of the Parent.

THEREFORE, the Parties agree as follows:

ARTICLE 1
INTERPRETATION

1.1 Definitions

In this Agreement, in addition to terms defined elsewhere in this Agreement, the following terms have the following meanings:

1.1.1 "**Agreement**" means this agreement, including all Schedules and Exhibits, as it may be confirmed, amended, supplemented or restated by written agreement between the Parties.

1.1.2 "**Buyer Indemnified Parties**" means the Buyer, the Parent and their respective affiliates, and their respective directors, officers, shareholders, agents and employees, and the respective successors of each of them.

1.1.3 "**Claim**" means any claim, demand, action, cause of action, suit, arbitration, investigation, proceeding, complaint, grievance, charge, prosecution, assessment or reassessment, including any appeal or application for review.

1.1.4 "**Contract**" means any agreement, understanding, undertaking, commitment, license or lease, whether written or oral.

1.1.5 "**Employees**" means all personnel and independent contractors employed, engaged or retained by the Seller in connection with the Business, including any that are on medical or long-term disability leave, or other statutory or authorized leave of absence.

1.1.6 "Governmental Authority" means:

1.1.6.1 any federal, provincial, state, local, municipal, regional, territorial, aboriginal, or other government, governmental or public department, branch, ministry, or court, domestic or foreign, including any district, agency, commission, board, arbitration panel or authority and any subdivision of any of them exercising or entitled to exercise any administrative, executive, judicial, ministerial, prerogative, legislative, regulatory, or taxing authority or power of any nature; and

1.1.6.2 any quasi-governmental, private body or stock exchange (including the TSXV) exercising any regulatory, expropriation or taxing authority under or for the account of any of them, and any subdivision of any of them.

1.1.7 "**Law**" or "**Laws**" means all laws, statutes, codes, ordinances, decrees, rules, regulations, by-laws, statutory rules, principles of law, published policies and guidelines, judicial or arbitral or administrative or ministerial or departmental or regulatory judgments, orders, decisions, rulings or awards, including general principles of common and civil law, and the terms and conditions of any grant of approval, permission, authority or license of any Governmental Authority.

1.1.8 "**Loss**" means any loss, liability, damage, cost, expense, charge, fine, penalty or assessment, including:

1.1.8.1 the reasonable costs and expenses of any action, suit, proceeding, demand, assessment, judgment, settlement or compromise;

1.1.8.2 all interest, fines and penalties; and

1.1.8.3 all reasonable professional fees and disbursements,

but excluding loss of profits and punitive, exemplary, indirect, special and consequential damages.

1.1.9 "***Person***" means any individual or corporation, partnership, association, limited liability company, joint venture, trust, Governmental Authority or other entity of any kind.

1.1.10 "**SAFEholders**" means the holders of "simple agreements to acquire future equity" of the Seller.

1.1.11 "**Seller Indemnified Parties**" means the Seller and its affiliates, and their respective directors, officers, shareholders, agents and employees, and the respective successors of each of them.

1.1.12 "**Tax**" means all taxes, duties, fees, premiums, assessments, imposts, levies, rates, withholdings, dues, government contributions and other charges of any kind imposed by any Governmental Authority, whether direct or indirect, together with all interest, penalties, fines, additions to tax or other additional amounts imposed in respect thereof.

1.1.13 "**TSXV**" means the TSX Venture Exchange.

1.1.14 "**Transferred Employees**" means those Employees who accept the offer of employment or engagement made by the Buyer effective on the Closing Date.

ARTICLE 2
PURCHASE AND SALE

2.1 Agreement of Purchase and Sale

Subject to the terms and conditions of this Agreement, on the Closing Date (as defined in Section 4.1) the Seller will sell and the Buyer will purchase certain of the Seller's rights, assets, privileges, benefits and property, that relate to, or are used or held for use in, the Business, including the following (collectively, the "**Purchased Assets**"):

2.1.1 ***Technology Assets:*** all laptops, computers and computer equipment and accessories and hardware and software used or held for use by the Seller in or in connection with the Business and all rights, privileges, licenses and entitlements to use that property in the same manner as are and have been used by the Seller (the "**Technology Assets**");

2.1.2 ***Goodwill:*** the goodwill of the Business, including all right, title and interest of the Seller in, to and in respect of all elements that contribute to the goodwill of the Business, and including the goodwill represented by packaging, labelling, advertising, marketing and promotional materials, and the logo set out in Schedule 2.1;

2.1.3 ***Intellectual Property:*** all trademarks and trademark applications, trade names, certification marks, patents and patent applications, copyrights, domain names, industrial designs, trade secrets, know-how, formulae, processes, inventions, technical expertise, software licenses, research data and other similar property, owned by or licensed to the Seller and used in connection with the Business, including all associated registrations and applications for registration, and all associated rights, including moral rights (the "**Intellectual Property**"), including all of the Seller's Intellectual Property that is registered with any Governmental Authority as set forth on Schedule 2.1; and

2.1.4 ***Permits:*** all authorizations, registrations, permits, certificates of approval, approvals, grants, licenses, quotas, consents, commitments, rights or privileges (other than those relating to the Intellectual Property) issued or granted by any Governmental Authority to the Seller in connection with the Business (the "**Permits**");

But, for greater certainty, excluding: (a) all cash, bank balances, money in possession of banks and other depositories, term or time deposits and similar cash or cash equivalents, owned or held by or for the account of the Seller, (b) all shares, notes, bonds, debentures or other securities of or issued by corporations or other Persons and all certificates or other evidence of ownership of the shares, notes, bonds, debentures or other securities owned or held by or for the account of the Seller, (c) all rights of the Seller under this Agreement and the documents and agreements delivered in connection with this Agreement, (d) the corporate seals, organizational documents, minute books or other records relating to the organization of the Seller, (e) any real estate owned or leased by the Seller, (f) any inventories of the Seller, (g) pre-paid amounts, (h) Contracts to which the Seller is a party, and (i) any fixed assets and equipment of the Seller other than the Technology Assets (collectively, the "**Excluded Assets**").

2.2 Assumption of Obligations

The Buyer will not assume, pay, perform or discharge any liabilities or obligations of the Seller (the "**Excluded Liabilities**"), all of which will remain the sole responsibility of the Seller. Without limiting the generality of the foregoing, such Excluded Liabilities include:

2.2.1 any liability of the Seller to any bank or other financial institution or lender by way of loan or other credit facility;

2.2.2 any liability of the Seller for any personal injury claims arising by reason of the occurrence at or before the Closing of any injury, accident or other event relating to the operations of the Seller;

2.2.3 any product liability or warranty liability relating to products manufactured or sold or services performed by the Seller at or before the Closing;

2.2.4 all costs and expenses that are the responsibility of the Seller;

2.2.5 any liability of the Seller to its securityholders (including SAFEholders), affiliates or associates or any other Person not dealing at arm's length with any of them;

2.2.6 any liability of the Seller, absolute or contingent, incurred, due or accruing due, whether before or after the Closing Date, and whether for Claims or otherwise, relating to the Excluded Assets;

2.2.7 any obligations, absolute or contingent, arising from, incidental to, or in any way related to the ownership or operation of the Excluded Assets;

2.2.8 any liability of the Seller for any breach by the Seller of any Laws relating to the operation of the Business or use of the Purchased Assets up to and including the Closing;

2.2.9 any liabilities of the Seller under Contracts arising in respect of the period up to and including the Closing, and any liabilities that arise from or relate to any breach or default by the Seller under any Contract;

2.2.10 any liability of the Seller for Taxes relating to the operation of the Business that arise before, or are related to a period of time before, the Closing; and

2.2.11 any liability of the Seller for wages, salaries, bonuses, vacation pay or other remuneration, severance pay, pension obligations or other obligations under any Plans or otherwise, or for any Claims under workers' compensation or similar Laws, relating to any Employee while employed, engaged or retained by the Seller in the Business including relating to Employees who refuse the Buyer's offers of employment, regardless of the reason for refusal.

ARTICLE 3
PURCHASE PRICE

3.1 Purchase Price

The aggregate purchase price payable by the Buyer to the Seller for the purchased assets (the "**Purchase Price**") will be $1,100,000 plus an aggregate of 184,227 transferable common share purchase warrants of the Parent (the "**Real Warrants**") to be issued to the Seller or its designees. Each Real Warrant is exercisable into one common share of the Parent (each a "**Warrant Share**") at a price of CDN$1.36 for a period of four (4) years from the Closing Date.

3.2 Payment of Purchase Price

The Buyer will satisfy the Purchase Price at the Closing (as defined in Section 4.1) by:

3.2.1 delivering to the Seller by a wire transfer of immediately available funds to an account designated in writing by the Seller in the amount of $1,100,000; and

3.2.2 the issuance and delivery of certificates representing the Real Warrants to the Seller or its designees.

3.3 Allocation of Purchase Price

The Seller and Buyer acknowledge and agree that an independent appraiser will be engaged to determine how the Purchase Price will be allocated among the assets purchased under this Agreement with such determination to be made within 12 months of the Closing Date. The Seller and the Buyer will cooperate in filing any elections under any taxation statutes that are necessary to give effect to this allocation for tax purposes. The Seller and the Buyer will prepare and file their tax returns in a manner consistent with that allocation and those elections.

ARTICLE 4
CLOSING ARRANGEMENTS

4.1 Closing Arrangements

The completion of the sale of assets under this Agreement (the "**Closing**") will take place at 10:00 a.m. (New York time) on January 8, 2021 (the "**Closing Date**"). All required documents may be delivered as originals or may be delivered by electronic transmission, except that the Warrant Certificates must be signed and delivered in original form.

4.2 Seller's Deliveries

The obligation of the Buyer and the Parent to complete the transactions contemplated by this Agreement will be subject to the Seller having delivered to the Buyer and the Parent the following in form and substance satisfactory to the Buyer and the Parent on or before the Closing Date:

4.2.1 all conveyances, bills of sale, transfers, assignments, consents and other documents necessary to transfer good and marketable title in the Purchased Assets to the Buyer, free and clear of all liens, charges and encumbrances; and

4.2.2 evidence satisfactory to the Buyer and the Parent that all necessary corporate action, including any shareholder approval, has been duly taken by the Seller to approve this Agreement and the completion of the transactions contemplated by this Agreement.

Notwithstanding the foregoing, the Buyer and the Parent's obligations to close are also conditional upon the receipt of any and all required regulatory approvals from any Governmental Authority including the TSXV.

4.3 Buyer's Deliveries

The obligation of the Seller to complete the transactions contemplated by this Agreement will be subject to the Buyer and the Parent having delivered to the Seller the following in form and substance satisfactory to the Seller on or before the Closing Date:

4.3.1 The delivery of the Purchase Price including certificates representing the Warrants;

4.3.2 evidence reasonably satisfactory to the Seller that new employment agreements and option grant agreements have been entered into with the Transferred Employees; and

4.3.3 the receipt of any and all required regulatory approvals from any Governmental Authorities, including the TSXV.

ARTICLE 5
REPRESENTATIONS AND WARRANTIES

5.1 Seller's Representations and Warranties

The Seller represents and warrants to the Buyer that:

5.1.1 the Seller is a corporation duly incorporated and validly existing under the laws of Delaware;

5.1.2 the execution, delivery and performance of this Agreement have been duly authorized by all necessary corporate action (including shareholder approval) on the part of the Seller;

5.1.3 the Seller is not a party to, bound by, or subject to any agreement, indenture, mortgage, lease, instrument, order, judgment or decree, or any provision of its articles or by-laws, that would be violated, contravened or infringed by the execution and delivery of this Agreement by the Seller or the performance of its obligations under this Agreement;

5.1.4 no authorization, approval, order or consent of, or filing with, any Governmental Authority is required on the part of the Seller in connection with the execution, delivery and performance of this Agreement or any other documents and agreements to be delivered under this Agreement;

5.1.5 no consent, approval or waiver of a third party is required to be obtained in order to complete the transactions contemplated by this Agreement, other than those that have been obtained;

5.1.6 the Seller owns, possesses and has good and marketable title to all of the Purchased Assets, free and clear of all liens, charges and encumbrances (other than liens for current taxes not yet due) and, at the Closing, the Seller will have the absolute and exclusive right to sell the Purchased Assets to the Buyer as contemplated by this Agreement;

5.1.7 there has not been any material adverse change in the condition of the Purchased Assets or any substantial loss of or damage to the Purchased Assets;

5.1.8 no person other than the Buyer has any written or oral agreement or option or any right or privilege (whether by Law, pre-emptive, contractual or otherwise) capable of becoming an agreement or option for the purchase or acquisition from the Seller of any of the Purchased Assets;

5.1.9 there is no action, litigation or other proceeding in progress, pending or threatened against the Seller that would have a material adverse effect on the Purchased Assets or the ability of the Seller to sell the Purchased Assets to the Buyer;

5.1.10 the use of the Purchased Assets by the Seller is in material compliance with all applicable Laws and the Seller has not received notice of any violation by the Seller of any Laws related to the use of the Purchased Assets;

5.1.11 Schedule 2.1 lists all Intellectual Property that is registered with any Governmental Authority, the jurisdictions (if any) in which that Intellectual Property is registered (or in which application for registration has been made), and the applicable expiry dates of all listed registrations. All necessary legal steps have been taken by the Seller to preserve its rights to the Intellectual Property listed on Schedule 2.1. All license agreements under which the Seller has been granted a right to use, or otherwise exploit, Intellectual Property owned by third parties are also listed on Schedule 2.1. The Intellectual Property that is owned by the Seller is free and clear of any Encumbrances, and no Person other than the Seller has any right to use that Intellectual Property except as disclosed in Schedule 2.1. The use by the Seller of any Intellectual Property owned by third parties is valid, and the Seller is not in default or breach of any license agreement relating to that Intellectual Property, and there exists no state of facts that, after notice or lapse of time or both, would constitute a default or breach under that Intellectual Property. The Intellectual Property forming part of the Purchased Assets does not infringe the intellectual property of any Person;

5.1.12 the Seller has paid all compensation or other amounts owed to any current or former employee or independent contractor of the Seller, including wages, salary, bonus, vacation pay or other remuneration, for all periods relating to the service with the Seller at any time prior to the Closing Date;

5.1.13 all personal information in the possession of the Seller forming part of the Purchased Assets has been collected, used and disclosed in compliance with all applicable Laws in those jurisdictions in which the Seller conducts, or is deemed by operation of law in those jurisdictions to conduct, the Business.

5.1.14 all facts relating to the Purchased Assets that would be material to a prospective buyer of the Purchased Assets under this Agreement have been disclosed to the Buyer;

5.1.15 the Seller acknowledges that any certificates representing the Warrants and the Warrant Shares will bear such legend or legends as may, in the opinion of counsel to the Buyer and Parent be reasonably necessary in order to avoid a violation of any securities Laws or to comply with the requirements of the TSXV, provided that if, at any time, in the opinion of counsel to the Buyer and Parent such legends are no longer necessary to avoid a violation of any such Laws, or the holder of any such legended certificate or direct registration statement, at the holder's expense, provides the Buyer and Parent (which may include an opinion of counsel reasonably satisfactory to the Buyer and Parent) to the effect that such holder is entitled to sell or otherwise transfer such securities in a transaction in which such legends are not required, such legended certificate or direct registration statement may thereafter be surrendered to the Buyer and Parent in exchange for a certificate or direct registration statement which does not bear such legend;

5.1.16 the representations and warranties contained in this Section 5.1 will be true on and as of the Closing Date with the same effect as if made on and as of the Closing Date.

5.2 Buyer's Representations and Warranties

The Buyer represents and warrants to the Seller that:

5.2.1 the Buyer is a limited liability company duly formed and validly existing under the laws of Texas;

5.2.2 the execution, delivery and performance of this Agreement have been duly authorized by all necessary corporate action on the part of the Buyer;

5.2.3 the Buyer is not party to, bound by, or subject to any agreement, indenture, mortgage, lease, instrument, order, judgment or decree, or any provision of its articles or by-laws, that would be violated, contravened or infringed by the execution and delivery of this Agreement by the Buyer or the performance of its obligations under this Agreement; and

5.2.4 the representations and warranties contained in this Section 5.2 will be true on and as of the Closing Date with the same effect as if made on and as of the Closing Date.

5.3 Parent's Representations and Warranties

The Parent represents and warrants to the Seller that:

5.3.1 the Parent is a company duly incorporated and validly existing under the laws of the Province of British Columbia;

5.3.2 the execution, delivery and performance of this Agreement has been duly authorized by all necessary corporate action on the part of the Parent;

5.3.3 the Parent is not party to, bound by, or subject to any agreement, indenture, mortgage, lease, instrument, order, judgment or decree, or any provision of its articles or by-laws, that would be violated, contravened or infringed by the execution and delivery of this Agreement by the Parent or the performance of its obligations under this Agreement; and

5.3.4 the representations and warranties contained in this Section 5.3 will be true on and as of the Closing Date with the same effect as if made on and as of the Closing Date.

ARTICLE 6
COVENANTS

6.1 Conduct of Business Before Closing

Until the Closing Date, the Seller will:

6.1.1 use the Purchased Assets in the ordinary course, consistent with past practice;

6.1.2 refrain from entering into any contract, commitment or transaction pertaining to the Purchased Assets except in the ordinary course of the Business, or with the prior written consent of the Buyer;

6.1.3 comply in all material respects with all laws applicable to the use of the Purchased Assets in the Business;

6.1.4 apply for, maintain in good standing and renew all Permits held for, used in or necessary to the operation of the Business as currently operated;

6.1.5 not sell, dispose of or encumber any of the Purchased Assets except in the ordinary course of the Business; and

6.1.6 upon reasonably advance request by the Buyer, give to the Buyer's representatives full access during business hours to all properties, premises, assets, agreements, and records relating to the Purchased Assets and give them information that they reasonably request.

6.2 Risk of Loss

All of the assets to be purchased under this Agreement will be and remain at the risk of the Seller until the completion of the transactions contemplated by this Agreement, and the Seller will give all notices and present all claims under all insurance policies in due and timely fashion. If the Purchased Assets, or any substantial part of them, are damaged or destroyed in any material respect before the completion of the transactions contemplated by this Agreement, the Buyer will have the option to terminate this Agreement or complete the purchase and have all proceeds of insurance paid to it.

6.3 Non-Competition

For two (2) years after the Closing Date, the Seller will not, either directly or indirectly, in any manner including, without limitation, individually or in partnership or otherwise jointly or in conjunction with any other Person (as principal, beneficiary, director, officer, shareholder, partner, member, manager, nominee, executor, trustee, agent, servant, employee, consultant, independent contractor, supplier or lender) carry on, or have any interest in or advise or assist any Person engaged or interested in, any business that is carried on in the United States and that is competitive with the business carried on by the Buyer at the date of this Agreement.

ARTICLE 7
INDEMNIFICATION, SURVIVAL AND CONDITIONS

7.1 Indemnification by the Seller

Subject to the other provisions of this Article 7, the Seller will indemnify and hold harmless each Buyer Indemnified Party from and against any Loss that a Buyer Indemnified Party may suffer as a result of, relating to or arising from:

7.1.1 any breach of any representation or warranty made by the Seller in this Agreement;

7.1.2 any non-performance of any covenant or agreement of the Seller contained in this Agreement;

7.1.3 any Excluded Liabilities;

7.1.4 any Claim that may arise as a result of the payment of any portion of the Purchase Price by the Buyer to one or more designees of the Seller pursuant to section 3.1 and 3.2 of this Agreement; and

7.1.5 the ownership, possession or operation of the Purchased Assets or the Business before the Closing.

7.2 Indemnification by the Buyer and the Parent

Subject to the other provisions of this Article 7, the Buyer or the Parent (as the case may be) will indemnify and hold harmless each Seller Indemnified Party from and against any Loss that a Seller Indemnified Party may suffer as a result of, relating to or arising from:

7.2.1 any breach of any representation or warranty made by the Buyer or the Parent (as the case may be) in this Agreement; and

7.2.2 any non-performance of any covenant or agreement of the Buyer or the Parent (as the case may be) contained in this Agreement.

7.3 Survival

All of the representations, warranties and covenants in this Agreement will survive for a period of 12 months following the Closing.

7.4 Limitations

No claim for indemnification under this Article 7 with respect to a breach of any provision of this Agreement may be brought unless the party bringing such claim notifies the other party in writing within the time period set forth in Section 7.3.

7.5 Conditions

All representations, warranties and covenants in this Agreement may, at the option of the party to which they are given, be treated as conditions, the material breach of any of which will entitle that party to terminate this Agreement prior to the Closing.

ARTICLE 8
GENERAL

8.1 Governing Law

This Agreement is governed by, and is to be construed and interpreted in accordance with, the laws of the State of Delaware.

8.2 Entire Agreement

This Agreement constitutes the entire agreement between the parties pertaining to the subject matter of this Agreement and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the parties and there are no representations, warranties or other agreements between the parties in connection with the subject matter of this agreement except as specifically set out in this Agreement, or in any other agreements and documents delivered under this agreement. No party has been induced to enter into this Agreement in reliance on, and there will be no liability assessed, either in tort or contract, with respect to, any warranty, representation, opinion, advice or assertion of fact, except to the extent it has been reduced to writing and included as a term in this agreement or in any other agreements and documents delivered under this Agreement.

8.3 Time of Essence

Time is of the essence in all respects of this Agreement.

8.4 Further Assurances

Each of the parties, upon the request of the other party, will do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered all further acts, deeds, documents, assignments, transfers, conveyances, powers of attorney and assurances as may be reasonably necessary or desirable to complete and give full effect to the transactions contemplated by this Agreement.

8.5 Costs and Expenses

Except as otherwise specified in this Agreement, all costs and expenses (including the fees and disbursements of accountants, financial advisors, legal counsel and other professional advisors) incurred in connection with the negotiation and settlement of this Agreement, and the completion of the transactions contemplated by this Agreement, are to be paid by the Party incurring those costs and expenses. Notwithstanding the foregoing, on the Closing Date, the Buyer will pay the legal fees of the Seller in connection with the Transaction up to $40,000 inclusive of any taxes and disbursements.

8.6 Payment and Currency

Any money to be advanced, paid or tendered by any Party under this Agreement must be advanced, paid or tendered by bank draft, certified cheque or wire transfer of immediately available funds payable to the Person to whom the amount is due. Unless otherwise specified, the word “dollar” and the “$” sign refer to United States currency, and all amounts to be advanced, paid, tendered or calculated under this Agreement are to be advanced, paid, tendered or calculated in United States currency.

8.7 Independent Legal Advice

Each of the Parties acknowledges that it has read and understands the terms and conditions of this Agreement and acknowledges and agrees that it has had the opportunity to seek, and was not prevented or discouraged by any other Party from seeking, any independent legal advice which it considered necessary before the execution and delivery of this Agreement and that, if it did not avail itself of that opportunity before signing this Agreement, it did so voluntarily without any undue pressure, and agrees that its failure to obtain independent legal advice will not be used by it as a defence to the enforcement of its obligations under this Agreement.

8.8 Third Party Beneficiaries

This Agreement is not intended to, and does not, confer any rights or remedies on any Person other than the Parties (and their respective successors and assigns) and the Indemnified Parties. The Parties reserve their right to vary or rescind, at any time and in any way, the rights, if any, granted by or under this Agreement to any Person who is not a Party, without notice to or consent of that Person.

8.9 Assignment

Neither this Agreement nor any right or obligation under this Agreement may be assigned by either party without the prior consent of the other party. Subject to the foregoing, this Agreement inures to the benefit of and is binding upon the parties and their respective successors and permitted assigns.

8.10 Electronic Signatures and Delivery

This Agreement and any counterpart of it may be:

8.10.1 signed by manual, digital or other electronic signatures; and

8.10.2 delivered or transmitted by any digital, electronic or other intangible means, including by e- mail or other functionally equivalent electronic means of transmission;

and that execution, delivery and transmission will be valid and legally effective to create a valid and binding agreement between the parties.

8.11 Counterparts

This Agreement may be signed and delivered by the parties in counterparts, with the same effect as if each of the parties had signed and delivered the same document, and that execution and delivery will be valid and legally effective.

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK

Each of the parties has executed and delivered this agreement as of the date noted at the beginning of this Agreement.

REALTYCRUNCH INC.

By: *signed "Pritesh Damani"*
Name: Pritesh Damani
Title: Chief Executive Officer

REAL BROKER, LLC

By: *signed "Tamir Poleg"*
Name: Tamir Poleg
Title: Chief Executive Officer

THE REAL BROKERAGE INC.

By: *signed "Tamir Poleg"*
Name: Tamir Poleg
Title: Chief Executive Officer

Schedule 2.1
Purchased Assets – Intellectual Property

1. All source code hosted at github.com
2. Domain name realtycrunch.io
3. RealtyCrunch Trademark (Serial No. 88864067; Registration No. 6179317) and all related graphic artwork and logos

FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1 — Name and Address of Company

The Real Brokerage Inc. (the "Company" or "Real")
133 Richmond Street West
Suite 302
Toronto, Ontario
M5H 2L3

Item 2 — Date of Material Change

January 5, 2021 and January 11, 2021

Item 3 — News Release

The press release disclosing the material changes was released on January 11, 2021 through the services of PRNewswire.

Item 4 — Summary of Material Change

On **January 11, 2021**, the Company completed the acquisition of the business assets and intellectual property of RealtyCrunch Inc. The transaction was satisfied in cash for an aggregate purchase price of US$1,100,000 plus 184,275 common share purchase warrants of Real. Each Real warrant is exercisable into one common share of Real at a price of Cdn$1.36 for a period of four years from the closing date.

As part of the acquisition, Pritesh Damani, the founder and CEO of RealtyCrunch and additional RealtyCrunch employees have joined Real. Pritesh has assumed the role of chief product officer with Real Broker LLC, Real's wholly-owned subsidiary, and was granted 2,130,773 stock options pursuant to Real's stock option plan at a price of Cdn$1.11 for a ten year term and are subject to a four year vesting period.

Real also granted an aggregate of 4,000 restricted share units to certain senior officers, based on the closing price of Real's common shares on January 4, 2021 and will vest in their entirety on January 5, 2024.

Item 5 — Full Description of Material Change

5.1 – Full Description of Material Change

On **January 11, 2021,** the Company announced that it completed the acquisition of the business assets and intellectual property of RealtyCrunch Inc. RealtyCrunch is a collaboration web and mobile app for home buyers and real estate agents. Launched in September 2020, it has already attracted over 2,000 real estate agents in the US who use it to streamline communication and document signing with their clients.

Pritesh Damani, the founder and CEO of RealtyCrunch and additional RealtyCrunch employees have joined Real as part of the acquisition. Pritesh has assumed the role of chief product officer with Real's wholly-owned subsidiary, Real Broker LLC, to continue his journey in real estate product innovation.

The transaction was satisfied in cash for an aggregate purchase price of US$1,100,000 plus 184,275 common share purchase warrants of Real. Each Real warrant is exercisable into one common share of Real at a price of Cdn$1.36 for a period of four years from the closing date.

Pritesh Damani was granted 2,130,773 stock options of Real pursuant to Real's stock option plan at a price of Cdn$1.11 for a ten year term. The options granted to Damani are subject to a four year vesting period.

Separately, Real has granted an aggregate of 4,000 restricted share units (each, an "RSU") to certain senior officers. The RSUs were awarded based on the closing price of Real's common shares on January 4, 2021 and will vest in their entirety on January 5, 2024.

5.2 – Disclosure for Restructuring Transactions

Not applicable.

Item 6 — Reliance on subsection 7.1(2) of National Instrument 51-102

Not applicable.

Item 7 — Omitted Information

Not applicable.

Item 8 — Executive Officer

Tamir Poleg
Chief Executive Officer
Tel: 646-469-7107

Item 9 — Date of Report

January 14, 2021

The Real Brokerage Inc. Expands Its Tech-powered Real Estate Brokerage to Utah

NEWS PROVIDED BY
The Real Brokerage Inc.
Jan 26, 2021, 07:30 ET

Salt Lake City Area Real Estate Professional Chris Martindale Named State Principal Broker

TORONTO and NEW YORK, Jan. 26, 2021 /CNW/ -- The Real Brokerage Inc. (Real) (TSXV: REAX) (OTCQX: REAXF), a national, technology powered real estate brokerage in the United States, today announced the company's expansion to the state of Utah with the appointment of local expert Chris Martindale as State Principal Broker. Real is now operating in 23 states and the District of Columbia.

"I'm excited to join Real because I believe the business model is the way of the future for real estate brokerages," said Martindale. He added, "The emphasis on building a strong culture for agents and the unique financial opportunities such as like higher commission splits, a modernized technology platform, revenue sharing and equity incentives made this an easy decision for me."

Chris is a charismatic leader who has risen to the top ranks of the real estate industry. He began his career in 2006 and that year closed 24 transactions, resulting in being named Rookie of the Year by his brokerage. To date, he has sold over 500 homes and has been recognized as one of the top agents/teams at several brokerages including Century 21 Everest Realty Group and Century 21 International. He continues his professional growth through work with Tom Ferry, an elite real estate coaching company with a global reputation.

"Chris has the right combination of experience, leadership and passion for the business that will power Real's expansion of operations in the western United States," says Real founder and CEO Tamir Poleg.

Martindale is a Utah native who grew up in Ogden. He enjoys international travel and learning about new cultures and is trusted by clients and colleagues alike.

Contact Information:
For more details, please contact:
The Real Brokerage Inc.
Lynda Radosevich
lynda@ joinreal.com
917-922-7020

About Real
Real (www.joinreal.com) is a technology-powered real estate brokerage operating in 23 U.S. states and the District of Columbia. Real is on a mission to make agents' lives better, creating financial opportunities for agents through higher commission splits, best-in-class technology, revenue sharing and equity incentives.

Contact Information:
For more details, please contact:
The Real Brokerage Inc.
Lynda Radosevich
lynda@ joinreal.com
917-922-7020

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities of the Company will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act, and may not be offered or sold within the United States or to, or for the account or benefit of U.S. persons except in certain transactions exempt from the registration requirements of the U.S. Securities Act)

Forward-looking Information
This press release contains forward-looking information within the meaning of applicable Canadian securities laws. Forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "expect", "likely" and "intend" and statements that an event or result "may", "will", "should", "could" or "might" occur or be achieved and other similar expressions. These statements reflect management's current beliefs and are based on information currently available to management as at the date hereof. Forward-looking information in this press release includes, without limiting the foregoing, Information relating to Real's expansion into the Utah market, Real's future growth plans and strategy, and eligibility of agents to receive performance-based incentives as part of Real's incentive program.

Forward-looking information is based on assumptions that may prove to be incorrect, including but not limited to Real's business objectives, expected growth, results of operations, performance, business projects and opportunities and financial results. Real considers these assumptions to be reasonable in the circumstances. However, forward-looking information is subject to known and unknown risks, uncertainties and other factors that could cause actual results, performance or achievements to differ materially from those expressed or implied in the forward-looking information. These factors should be carefully considered and readers should not place undue reliance on the forward-looking statements. Although the forward-looking statements contained in this press release are based upon what management believes to be reasonable assumptions, Real cannot assure readers that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this press release, and Real assumes no obligation to update or revise them to reflect new events or circumstances, except as required by law.

SOURCE The Real Brokerage Inc.

Related Links
http://www.joinreal.com

The Real Brokerage Inc. Announces Issuance Of Stock Options

NEWS PROVIDED BY
The Real Brokerage Inc.
Jan 28, 2021, 16:58 ET

TORONTO and NEW YORK, Jan. 28, 2021 /PRNewswire/ -- The Real Brokerage Inc. ("**Real**") (TSXV: REAX) (OTCQX: REAXF), a national, technology powered real estate brokerage in the United States, today announced that it has granted an aggregate of 1,315,000 incentive stock options under Real's stock option plan (the "**Plan**") to certain directors and officers of Real (the "**Options**"). The Options are exercisable for a period of 10 years at $1.29 per share.

About Real

Real (www.joinreal.com) is a technology-powered real estate brokerage operating in 23 U.S. states and the District of Columbia. Real is on a mission to make agents' lives better, creating financial opportunities for agents through higher commission splits, best-in-class technology, revenue sharing and equity incentives.

Contact Information:
For more details, please contact:
The Real Brokerage Inc.
Lynda Radosevich
lynda@ joinreal.com
917-922-7020

SOURCE The Real Brokerage Inc.

Top-Producing Real Estate Teams and Agents Join The Real Brokerage Inc.

NEWS PROVIDED BY
The Real Brokerage Inc. →
Feb 09, 2021, 07:30 ET

TORONTO and NEW YORK, Feb. 9, 2021 /PRNewswire/ -- The Real Brokerage Inc. (Real) (TSXV: REAX) (OTCQX: REAXF), a national, technology powered real estate brokerage in the United States, today announced high-producing real estate teams have joined Real in the fourth quarter of 2020 and first quarter of 2021 to date.

In the 12 months prior to joining Real, the new teams and agents had a closed volume of over US $1 billion in home sales.

In the 12 months prior to joining Real, the new teams and agents had a closed volume of over US $1 billion in home sales

"Real welcomes these high-performing teams and agents who embrace our culture of collaboration," said Tamir Poleg, co-founder and CEO of Real. "We are like-minded about doing great things for our local communities and the agent community at Real."

A selection of Real's new teams and individual agents include the following:

- **10X Team** led by Matt Mittlestadt & Dan Fitzgerald in Austin & San Antonio, Texas
- **Andrew Robinson** in Columbus, Ohio
- **Brayson Verzella** in San Antonio, Texas
- **Cavalry Group** led by Enrique (Tre) Serrano in San Antonio, Texas
- **Daniel Crawley** in American Fork, Utah
- **K.C. McKeon** in Dallas, Texas
- **Krista Frauenholtz** in Dripping Springs, Texas
- **Lance Bertolino** in Houston, Texas
- **Lewis Weaver** in Plain City, Utah
- **McLaughlin Group** led by Brendan McLaughlin in Warwick, Rhode Island
- **Mona London** in Seattle, Washington
- **Robert Climer** in Westlake, Ohio
- **Ryan Ferguson** in Cedar Park, Texas
- **The Knight Group** led by Jeremy & Eileen Knight in Austin, Texas
- **The Needle Group** led by Dianne Needle in Boston, Massachusetts
- **Sara Tufano** in Wallingford, Connecticut
- **The Goss Team** led by Thomas Goss in Harrisville, Rhode Island
- **Team Hastings** led by Zanthia Hastings in Hunterville, North Carolina
- **Tirado Group** led by Martin Tirado in San Antonio, Texas

About Real

Real (www.joinreal.com) is a technology-powered real estate brokerage operating in 24 U.S. states and the District of Columbia. Real is on a mission to make agents' lives better, creating financial opportunities for agents through higher commission splits, best-in-class technology, revenue sharing and equity incentives.

For more details, please contact:

The Real Brokerage Inc.
Lynda Radosevich
lynda@ joinreal.com
917-922-7020

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities of the Company will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act, and may not be offered or sold within the United States or to, or for the account or benefit of U.S. persons except in certain transactions exempt from the registration requirements of the U.S. Securities Act)

Forward-looking Information

This press release contains forward-looking information within the meaning of applicable Canadian securities laws. Forward-looking information is often, but not always, identified by the use of words such as " seek", " anticipate", " believe", " plan", " estimate", " expect", " likely" and " intend" and statements that an event or result " may", " will", " should", " could" or " might" occur or be achieved and other similar expressions. These statements reflect management's current beliefs and are based on information currently available to management as at the date hereof. Forward-looking information in this press release includes, without limiting the foregoing, Information relating to Real's future growth plans and strategy, and eligibility of agents to receive performance-based or equity incentives as part of Real's incentive program.

Forward-looking information is based on assumptions that may prove to be incorrect, including but not limited to Real's business objectives, expected growth, results of operations, performance, business projects and opportunities and financial results. Real considers these assumptions to be reasonable in the circumstances. However, forward-looking information is subject to known and unknown risks, uncertainties and other factors that could cause actual results, performance or achievements to differ materially from those expressed or implied in the forward-looking information. These factors should be carefully considered and readers should not place undue reliance on the forward-looking statements. Although the forward-looking statements contained in this press release are based upon what management believes to be reasonable assumptions, Real cannot assure readers that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this press release, and Real assumes no obligation to update or revise them to reflect new events or circumstances, except as required by law.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release, and the OTCQX has neither approved nor disapproved the contents of this press release.

SOURCE The Real Brokerage Inc.

Related Links
https://www.joinreal.com/

February 19, 2021

Computershare
100 University Avenue, 8th floor
Toronto ON, M5J 2Y1
www.computershare.com

To: All Canadian Securities Regulatory Authorities

Subject: THE REAL BROKERAGE INC.

Dear Sir/Madam:

We advise of the following with respect to the upcoming Meeting of Security Holders for the subject Issuer:

Meeting Type :	Annual General and Special Meeting
Record Date for Notice of Meeting :	March 16, 2021
Record Date for Voting (if applicable) :	March 16, 2021
Beneficial Ownership Determination Date :	March 16, 2021
Meeting Date :	April 20, 2021
Meeting Location (if available) :	Toronto, ON
Issuer sending proxy related materials directly to NOBO:	No
Issuer paying for delivery to OBO:	Yes

Notice and Access (NAA) Requirements:

NAA for Beneficial Holders	No
NAA for Registered Holders	No

Voting Security Details:

Description	CUSIP Number	ISIN
COMMON SHARE	75585H107	CA75585H1073

Sincerely,

Computershare
Agent for THE REAL BROKERAGE INC.

FORM 13-502F1
CLASS 1 AND CLASS 3B REPORTING ISSUERS – PARTICIPATION FEE

MANAGEMENT CERTIFICATION

I, Michelle Ressler, an officer of the reporting issuer noted below have examined this Form 13-502F1 (the **Form**) being submitted hereunder to the Ontario Securities Commission and certify that to my knowledge, having exercised reasonable diligence, the information provided in the Form is complete and accurate.

(s) "Michelle Ressler" — March 17, 2020
Name: Michelle Ressler — Date:
Title: Chief Financial Officer

Reporting Issuer Name: The Real Brokerage Inc.

End date of previous financial year: December 31, 2020

Type of Reporting Issuer: ☑ **Class 1 reporting issuer** ☐ **Class 3B reporting issuer**

Highest Trading Marketplace: TSX Venture
(refer to the definition of "highest trading marketplace" under OSC Rule 13-502 *Fees*)

Market value of listed or quoted equity securities:
(in Canadian Dollars - refer to section 7.1 of OSC Rule 13-502 *Fees*)

Equity Symbol REAX

1st Specified Trading Period (dd/mm/yy)
(refer to the definition of "specified trading period" under OSC Rule 13-502 *Fees*) 01/01/20 to 31/03/20

Closing price of the security in the class or series on the last trading day of the specified trading period in which such security was listed or quoted on the highest trading marketplace $0.075 (i)

Number of securities in the class or series of such security outstanding at the end of the last trading day of the specified trading period 9,100,000 (ii)

Market value of class or series (i) x (ii) $682,500 (A)

2nd Specified Trading Period (dd/mm/yy)
(refer to the definition of "specified trading period" under OSC Rule 13-502 *Fees*) 01/04/20 to 30/06/20

Closing price of the security in the class or series on the last trading day of the specified trading period in which such security was listed or quoted on the highest trading marketplace		$0.480	(iii)
Number of securities in the class or series of such security outstanding at the end of the last trading day of the specified trading period		141,112,580	(iv)
Market value of class or series	(iii) x (iv)	$67,734,038.40	(B)

3rd Specified Trading Period (dd/mm/yy)
(refer to the definition of "specified trading period" under OSC Rule 13-502 *Fees*) 01/07/20 to 30/09/20

Closing price of the security in the class or series on the last trading day of the specified trading period in which such security was listed or quoted on the highest trading marketplace		$ 2.210	(v)
Number of securities in the class or series of such security outstanding at the end of the last trading day of the specified trading period		143,266,154	(vi)
Market value of class or series	(v) x (vi)	$316,618,200.34	(C)

4th Specified Trading Period (dd/mm/yy)
(refer to the definition of "specified trading period" under OSC Rule 13-502 *Fees*) 01/10/20 to 31/12/20

Closing price of the security in the class or series on the last trading day of the specified trading period in which such security was listed or quoted on the highest trading marketplace		1.180	(vii)
Number of securities in the class or series of such security outstanding at the end of the last trading day of the specified trading period		143,309,075	(viii)
Market value of class or series	(vii) x (viii)	$169,104,708.50	(D)

5th Specified Trading Period (dd/mm/yy)
(if applicable - refer to the definition of "specified trading period" under OSC Rule 13-502 *Fees*) N/A to N/A

Closing price of the security in the class or series on the last trading day of the specified trading period in which such security was listed or quoted on the highest trading marketplace		$	(ix)
Number of securities in the class or series of such			(x)

security outstanding at the end of the last trading day of the specified trading period			
Market value of class or series	(ix) x (x)	$_____	(E)
Average Market Value of Class or Series (Calculate the simple average of the market value of the class or series of security for each applicable specified trading period (i.e. A through E above))		$ 138,534,861.81	**(1)**

(Repeat the above calculation for each other class or series of equity securities of the reporting issuer (and a subsidiary pursuant to paragraph 2.8(1)(c) of OSC Rule 13-502 *Fees*, if applicable) that was listed or quoted on a marketplace at the end of the previous financial year)

Fair value of outstanding debt securities: (See paragraph 2.8(1)(b), and if applicable, paragraph 2.8(1)(c) of OSC Rule 13-502 *Fees*)		$ 0	**(2)**
(Provide details of how value was determined)			
Capitalization for the previous financial year	(1) + (2)	$ 138,534,861.81	
Participation Fee (For Class 1 reporting issuers, from Appendix A of OSC Rule 13-502 *Fees*, select the participation fee) (For Class 3B reporting issuers, from Appendix A.1 of OSC Rule 13-502 *Fees*, select the participation fee)		$ 13,340	
Late Fee, if applicable (As determined under section 2.7 of OSC Rule 13-502 *Fees*)		$_____	
Total Fee Payable (Participation Fee plus Late Fee)		$ 13,340	

The Real Brokerage Inc.

(formerly ADL Ventures Inc.)

Consolidated Financial Statements

December 31, 2020

Table of Contents

Deloitte.

To the Shareholders and the Board of Directors of
The Real Brokerage Inc.

Opinion
We have audited the consolidated financial statements of **The Real Brokerage Inc.** (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2020 and 2019, and the consolidated statements of loss and comprehensive loss, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2020 and 2019, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion
We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information
Management is responsible for the other information. The other information comprises:

- Management's Discussion and Analysis
- The information, other than the financial statements and our auditor's report thereon, in the Annual Report.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

The Annual Report is expected to be made available to us after the date of the auditor's report. If, based on the work we will perform on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements
Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Deloitte.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Aviad Gur El.

Brightman Almagor Zohar & Co.

Brightman Almagor Zohar & Co.
Certified Public Accountants
A Firm in the Deloitte Global Network

Tel Aviv, Israel
March 19, 2021

	Note	December 31, 2020	December 31, 2019
Assets			
Cash	*16*	**21,226**	53
Restricted cash	*16*	**47**	43
Trade receivables	*14*	**117**	56
Other receivables	*15*	**221**	10
Prepaid expenses and deposits		**89**	33
Current assets		**21,700**	195
Property and equipment	*17*	**14**	1
Right-of-use assets	*17*	**193**	212
Non-current assets		**207**	213
Total assets		**21,907**	408
Liabilities			
Accounts payable and accrued liabilities		**815**	336
Other payables		**64**	40
Lease liabilities	*20*	**85**	122
Current liabilities		**964**	498
Lease liabilities	*20*	**130**	100
Preferred shares	*18*	**-**	11,750
Accrued Stock-based Compensation		**15**	-
Non-current liabilities		**145**	11,850
Total liabilities		**1,109**	12,348
Equity (Deficit)			
Share premium	*18*	**21,668**	1,265
Stock-based compensation reserve		**2,760**	1,622
Deficit		**(18,448)**	(14,827)
Equity (Deficit) attributable to owners of the company		**5,980**	(11,940)
Non-controlling interests	*18*	**14,818**	-
Total liabilities and equity		**21,907**	408
Commitments and contingencies	*22*		
Subsequent events	*24*		

Approved by the Board of Directors:

"Tamir Poleg"
CEO

"Guy Gamzu"
Director

The notes on pages 9 to 34 are an integral part of these consolidated financial statements.

	Note	Twelve months ended Dec 31, 2020	2019
Revenue	9	**16,559**	15,751
Cost of sales	10	**14,405**	13,785
Gross profit		**2,154**	1,966
General & Administrative expenses	10	**4,028**	2,845
Advertising expenses	10	**717**	555
Research and development expenses	10	**223**	234
Other income	15	**(168)**	-
Operating loss		**(2,646)**	(1,668)
Listing expenses	7	**835**	-
Finance costs		**140**	583
Loss before tax		**(3,621)**	(2,251)
Net Loss		**(3,621)**	(2,251)
Other comprehensive income, net of tax		**-**	-
Total loss and comprehensive loss		**(3,621)**	(2,251)
Earnings per share			
Basic and diluted loss per share	11	**(0.04)**	(0.05)

The notes on pages 9 to 34 are an integral part of these consolidated financial statements.

	Note	Share premium	Stock-based compensation reserve	Deficit	Non-controlling interests	Total equity (deficit)
Balance, at January 1, 2019		1,265	1,134	(12,576)	-	(10,177)
Total loss and comprehensive loss		-	-	(2,251)	-	(2,251)
Equity-settled share-based payment		-	488	-	-	488
Balance, at December 31, 2019		1,265	1,622	(14,827)	-	(11,940)
Balance, at January 1, 2020		**1,265**	**1,622**	**(14,827)**	-	**(11,940)**
Total loss and comprehensive loss		-	-	**(3,621)**	-	**(3,621)**
Shares issued to former ADL shareholders	*7*	**271**	-	-	-	**271**
Increase in ADL shares and options	*7B*	**459**	-	-	-	**459**
Shares issued via private placement	*7B*	**1,588**	-	-	-	**1,588**
Conversion of series A preferred shares	*7B*	**11,750**	-	-	-	**11,750**
Conversion of convertible debt	*7B*	**250**	-	-	-	**250**
Exercise of stock options	*7B*	**2**	-	-	-	**2**
Shares issued via private placement	*18(iii)*	**500**	-	-	-	**500**
Shares issued via Pipe transaction	*8*	-	-	-	**14,818**	**14,818**
Warrants issued via Pipe transaction	*8*	**5,583**	-	-	-	**5,583**
Equity-settled share-based payment		-	**1,138**	-	-	**1,138**
Balance, at December 31, 2020		**21,668**	**2,760**	**(18,448)**	**14,818**	**20,798**

The notes on pages 9 to 34 are an integral part of these consolidated financial statements.

	Twelve months ended December 31,	
	2020	**2019**
Cash flows from operating activities		
Loss for the period	**(3,621)**	(2,251)
Adjustments for:		
– Depreciation	**91**	137
– Equity-settled share-based payment transactions	**1,138**	488
– Listing expenses	**459**	-
– Finance costs (income), net	**140**	(15)
	(1,793)	(1,641)
Changes in:		
– Trade receivables	**(61)**	220
– Other receivables	**(211)**	(1)
– Related parties	**-**	178
– Prepaid expenses and deposits	**(56)**	(14)
– Accounts payable and accrued liabilities	**479**	(16)
– Stock Compensation Payable	**15**	
– Other payables	**24**	(50)
Net cash used in operating activities	**(1,603)**	(1,324)
Cash flows from investing activity		
Change in restricted cash	**-**	(3)
Purchase of property and equipment	**(16)**	-
Net cash used in investing activity	**(16)**	(3)
Cash flows from financing activities		
Proceeds from private placement	**2,088**	-
Additional effects from Qualifying Transaction	**321**	-
Proceeds from Pipe Transaction	**20,401**	-
Proceeds from issuance of convertible debt	**250**	-
Proceeds from loans and borrowings	**-**	-
Proceeds from issuance of preferred shares	**-**	1,000
Payment of lease liabilities	**(127)**	(120)
Net cash provided by financing activities	**22,933**	880
Net change in cash and cash equivalents	**21,314**	(447)
Cash, beginning of period	**53**	485
Fluctuations in foreign currency	**(141)**	15
Cash, end of period	**21,226**	53
Non-cash transactions		
Conversion of series A preferred shares	**11,750**	-
Increase in ROU against lease liabilities	**69**	-

The notes on pages 9 to 34 are an integral part of these consolidated financial statements.

1. General information

The Real Brokerage Inc. (formerly ADL Ventures Inc.) ("Real" or the "Company") is a technology-powered real estate brokerage firm, licensed in over 23 states with over 1,400 agents. Real offers agents a mobile focused tech-platform to run their business, as well as attractive business terms and wealth building opportunities.

The consolidated operations of Real include the wholly-owned subsidiaries of Real Technology Broker Ltd., Real Pipe LLC incorporated on November 5, 2020 under the laws of the state of Delaware, Real Broker MA, LLC incorporated on July 11, 2018 under the laws of the state of Delaware, Real Broker CT, LLC incorporated on July 11, 2018 under the laws of the state of Delaware, Real Broker, LLC (formerly Realtyka, LLC) incorporated on October 17, 2014 under the laws of the state of Texas, and Real Brokerage Technologies Inc. (formerly Realtyka Tech Ltd.) incorporated on June 29, 2014 in Israel.

On June 5, 2020, the Company completed the "Qualifying Transaction" under *Policy 2.4 – Capital Pool* Companies of the TSX Venture Exchange ("TSX-V") (see Note 7). Real's common shares are listed on the TSX-V under the symbol REAX.

Effective June 17, 2020, the Company changed its registered office to 133 Richmond Street West, Suite 302, Toronto, Ontario M5H 2L3.

2. Basis of preparation

A. Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"). They were authorized for issue by the Company's board of directors on March 18, 2021.

B. Functional and presentation currency

These consolidated financial statements are presented in U.S. dollars, which is the Company's functional currency. All amounts have been rounded to the nearest thousand dollars, unless otherwise indicated.

3. Significant accounting policies

The Company has consistently applied the following accounting policies to all periods presented in these consolidated financial statements.

A. Basis of consolidation

i. Subsidiaries

Subsidiaries are entities controlled by the Company. The Company 'controls' an entity when it is exposed to, or has the rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

3. Significant accounting policies (Cont.)

A. Basis of consolidation (cont.)

ii. Transactions eliminated on consolidation

Intercompany balances and transactions, and any unrealized income and expenses arising from intercompany transactions, are eliminated. Unrealized losses are eliminated in the same way unrealized gains, but only to the extent there is no evidence of impairment.

B. Foreign currency

i. Foreign currency transactions

Transactions in foreign currencies are translated into respective functional currencies of the Company at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the report date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognized in profit or loss presented within finance costs.

ii. Foreign operations

The assets and liabilities of foreign operations are translated into U.S. dollars at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into U.S. dollars at exchange rates at the date of the transactions. When a foreign operation is disposed of in its entirety or partially such that control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal.

C. Revenue from contracts with customers

The Company generates substantially all its revenue from commissions from the sale of real estate properties. Other sources of revenue include subscription income from the brokerage-platform and other revenues relating to auxiliary services.

The Company is contractually obligated to provide services for the fulfillment of transfer of real estate between agents, buyers and sellers. The Company satisfies its obligations through closing of a transaction and provides services between the agents and buyers and sellers as a principal. Accordingly, the Company will recognize revenues in the gross amount of consideration, to which it expects to be entitled to.

D. Performance obligations and revenue recognition policies

Revenue is measured based on the consideration specified in a contract with a customer. The Company recognizes revenue when it transfers control over a good or service to a customer.

The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and related revenue recognition policies.

3. Significant accounting policies (Cont.)

D. Performance obligations and revenue recognition policies (Cont.)

Type of product/service	Nature and timing of satisfaction of performance obligations, including significant payment terms	Revenue recognition policies
Commissions from real estate contracts	Customers obtain control of real estate property on the closing date, which is ordinarily when consideration is received.	Revenue is recognized at a point in time as the purchase agreement is closed and the sale is executed.
Service contracts with real estate agents	Under service contracts with real estate agents, they enroll in an annual subscription plan to use the tech-platform.	Revenue is recognized over time as the Company provides promised services to real estate agents on a paid subscription plan.

Please see Note 9 for more Information about the Company's revenues from contracts with customers.

E. Employee benefits

i. Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ii. Share-based payment arrangements

The grant-date fair value excluding the effect of non-market equity-settled share-based payment arrangements granted to employees is generally recognized as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognized is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

iii. Restricted share unit plan

Under the restricted share unit plan, eligible participants receive restricted share units (RSU's), which generally vest over a period of one to three years. The expense in relation to RSU's earned in recognition of personal performance conditions is recognized at grant-date fair value during the applicable vesting period based on the best available estimate of the number of equity instruments expected to vest with a corresponding increase in stock–based compensation reserve. The expense in relation to RSU's purchased in the agent stock purchase plan are recognized at grant-date fair value with a corresponding increase in liability. The liability is classified into equity after the 12 – month holding period has passed. Please see Note 12 for more information about the Company's restricted share unit.

3. Significant accounting policies (Cont.)

F. Finance income and finance costs

The Company's finance income and finance costs include:

– interest income;
– interest expense;
– the foreign currency gain or loss on financial assets and financial liabilities; Interest income or expense is recognized using the effective interest method.

In calculating interest expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit impaired) or to the amortized cost of the liability.

G. Income tax

Income tax expenses comprise of current and deferred tax. It is recognized in profit or loss, or items recognized directly in equity or in other comprehensive income.

The Company has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*.

i. Current tax

Current tax comprises from expected payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using the tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if certain criteria are met.

ii. Deferred tax

Deferred tax are recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred taxes are not recognized for:

– Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and

– Temporary differences related to investments in subsidiaries to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognize a deferred tax asset in full, then future taxable profits, adjusted for reversals of

3. Significant accounting policies (Cont.)

G. Income tax (Cont.)

ii. Deferred tax (Cont.)

existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Company. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date, and reflects uncertainty related to income taxes, if any.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if certain criteria are met.

H. Property and equipment

i. Recognition and measurement

Items of property and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and any accumulated impairment losses. If significant parts of an item of property and equipment have different useful lives, then they are accounted for as separate items (major components) of property and equipment.

Any gain or loss on disposal of an item of property and equipment is recognized in profit or loss.

ii. Subsequent expenditures

Subsequent expenditures are capitalized only if it is probable that future economic benefits with the expenditure will flow to the Company.

iii. Depreciation

Depreciation is calculated to write off the cost of items of property and equipment less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognized in profit or loss.

The estimated useful lives of property and equipment for current and comparative periods are as follows:

– Computer equipment:	3 years
– Furniture and fixtures:	5-10 years.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted, if appropriate.

3. Significant accounting policies (Cont.)

I. Financial instruments

i. Recognition and initial measurement

Financial assets and financial liabilities are recognized on the Company's consolidated statements of financial position when Real becomes party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

ii. Classification and subsequent measurement

Financial assets – Policy

On initial recognition, a financial asset is classified as measured at: amortized cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortized cost if it meets both of the following conditions as is not designated as FVTPL:

– it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

– its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as FVTPL:

– it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

– its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

3. Significant accounting policies (Cont.)

I. Financial instruments (Cont.)

ii. Classification and subsequent measurement (cont.)

Financial assets – Business model assessment

The Company assesses the objective of the business model in which a financial asset is held at a portfolio level, because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

– the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows;

– how the performance of the portfolio is evaluated and reported to the Company's management;

– the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

– how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and

– the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and the expectations of future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets – Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

3. Significant accounting policies (Cont.)

I. Financial instruments (Cont.)

ii. Classification and subsequent measurement (cont.)

Financial liabilities – Classification, subsequent measurement and gains and losses (cont.)

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and their net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

iii. Derecognition

Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows or the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented on the consolidated statements of financial position, only when the Company has a legally enforceable right to offset the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

J. Share capital

i. Ordinary shares

Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity. Income tax relating to transactions costs of an equity transaction are accounted for in accordance with IAS 12.

3. Significant accounting policies (Cont.)

J. Share Capital (Cont.)

ii. Preferred Shares

As of December 31, 2019 the Company's preference shares were classified as liability, due to the rights of the holders to require a cash settlement not with in the control of the Company. On June 5, 2020, the 68,460 preferred shares were converted into equity. As of December 31, 2020, the Company does not have preferred shares. Please see note 8 for issuance of preferred shares in Real Pipe LLC.

iii. Non – controlling interests

Non-controlling interest represents the portion of net income and net assets which the Company does not own, either directly or indirectly. It is presented as "Attributable to non-controlling interest" separately in the Consolidated Statements of Loss and separately from shareholders' equity in the Consolidated Statements of Financial Position.

K. Impairment

i. Non-derivative financial assets

Financial instruments and contract assets

The Company recognizes loss allowances for expected credit losses ("ECL") on:

– Financial assets measured at amortized cost; and

– Contract assets

Loss allowances for trade receivables and contract assets are always measured at an amount equal to the lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Company considers a financial asset to be in default when:

– the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company; or

– the financial asset is more than 90 days past due.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

3. Significant accounting policies (Cont.)

K. Impairment (cont.)

i. Non-derivative financial assets

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Write-off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Company has a policy of writing off the gross carrying amount when the financial asset is 180 days past due based on historical experience of recoveries of similar assets. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

L. Provisions

Provisions are recognized when present (legal or constructive) obligations as a result of a past event will lead to a probable outflow of economic resources and amounts can be estimated reliably. Provisions are measured at management's best estimate of the expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation.

The Company performs evaluations to identify onerous contracts and, where applicable, records provisions for such contracts. All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. In those cases where the possible outflow of economic resources as a result of present obligations is considered remote, no liability is recognized.

M. Leases

At the inception of a contract, the Company assess whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

– the contract involves the use of an identified asset – this may be specified explicitly or implicitly, should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;

– the Company has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use; and

– the Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purposes the asset is used is predetermined, the Company has the right to direct the use of the asset if either:

3. Significant accounting policies (Cont.)

M. Leases (Cont.)

i. Real as a lessee

- the group has the right to operate the asset; or
- the group designed the asset in a way that predetermines how and for what purpose it will be used.

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right- of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

lease liability is initially measured at the present value of lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets in 'property and equipment' in the consolidated statements of financial position.

3. Significant accounting policies (Cont.)

M. Leases (Cont.)

j. Real as a lessee (cont.)

Short-term leases and leases of low-value assets

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less and leases of low-value assets, including IT equipment. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

N. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

A number of the Company's accounting policies and disclosures require the measurement of fair values, both for financial and non-financial assets and liabilities.

When one is available, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Company uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction. If an asset or a liability measured at fair value has a bid price and an ask price, then the Company measures assets and long positions at a bid price and liabilities and short positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognized in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

4. Use of judgments and estimates

In preparing these consolidated financial statements, management has made judgments and estimates that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

4. Use of judgments and estimates (Cont.)

A. Judgements (Cont.)

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

Note 12 – measurement of share-based payment arrangements:

The Company's grants under its share-based compensation plan with employees are measured based on fair value of the Company's shares at the grant date and recognized as compensation expense on a straight-line basis over the requisite service period, with a corresponding impact reflected in additional paid-in capital.

Determining the fair value of the share-based awards at the grant date requires judgments. The Company calculated the fair value of each option award on the grant date using the Black-Scholes option pricing model. The Black-Scholes model requires the input of highly subjective assumptions, including the fair value of the Company's shares, expected volatility, expected term, risk-free interest rate and dividend yield.

B. Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have significant result of resulting in a material adjustment to the USD carrying amounts of assets and liabilities in the next financial year is included in the following notes:

- Note 13 (B)– Deferred tax assets are recognized only if management assesses that these tax assets can be offset against positive taxable income within a foreseeable future. This judgment is made by management on an ongoing basis and is based on budgets and business plans for the coming years. These budgets and business plans are reviewed and approved by the Board of Directors. Since inception, the Company has reported losses, and consequently, the Company has unused tax losses. The deferred tax assets are currently not deemed to meet the criteria for recognition as management is not able to provide any convincing positive evidence that deferred tax assets should be recognized. Therefore, management has concluded that deferred tax assets should not be recognized on December 31, 2020.

- Note 3(K) – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources; and

i. Measurement of fair values

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as a broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from third parties to support the conclusion of these valuations meet the requirements of the standards, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Company’s audit committee.

When measuring the fair value of an asset or liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- *Level 1:* quoted prices (unadjusted) in active markets for identical assets or liabilities.

4. Use of judgments and estimates (Cont.)

B. Assumptions and estimation uncertainties (cont.)

i. Measurement of fair values (cont.)

– *Level 2:* inputs other than quoted prices included in Level 1, that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

C. Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about assumptions made in measuring fair values is included in the following notes:

– Note 12 – share-based payment arrangements; and

– Note 21 – financial instruments.

5. Changes in significant accounting policies

The Company monitors the potential changes proposed by the IASB and analyzes the effect that changes in the standards may have on its operations.

Standards issued but not yet effective up to the date of issuance of these consolidated financial statements are described below. This description is of the standards and interpretations issued that the Company reasonably expects to be applicable at a future date. The Company intends to adopt these standards when they become effective.

In January 2020 the IASB issued amendments to IAS 1 — Presentation of Financial Statements: Classification of Liabilities as Current or Non-Current to clarify how to classify debt and other liabilities as current or non-current, and in particular how to classify liabilities with an uncertain settlement rate and liabilities that may be settled by converting to equity. These amendments are effective on or after January 1, 2023. The Company does not expect any material impact from the adoption of these amendments.

In May 2020 the IASB issued Annual Improvements to IFRSs 2018 - 2020 Cycle. The improvements have amended four standards with effective date January 1, 2022: i) IFRS 1 — First-time Adoption of International Financial Reporting Standards in relation to allowing a subsidiary to measure cumulative translation differences using amounts reported by its parent, ii) IFRS 9 — Financial Instruments in relation to which fees an entity includes when applying the ‘10 percent’ test for derecognition of financial liabilities, iii) IAS 41 — Agriculture in relation to the exclusion of taxation cash flows when measuring the fair value of a biological asset, and iv) IFRS 16 — Leases in relation to an illustrative example of reimbursement for leasehold improvements. The Company does not expect any material impact from the adoption of these amendments.

In August 2020 the IASB issued a package of amendments to IFRS 9 – Financial Instruments, IAS 39 – Financial Instruments: Recognition and Measurement, IFRS 7 – Financial Instruments: Disclosures, IFRS 4 – Insurance

5. Changes in significant accounting policies (Cont.)

Contracts and IFRS 16 – Leases in response to the ongoing reform of inter-bank offered rates (IBOR) and other interest rate benchmarks. The amendments are aimed at helping companies to provide investors with useful information about the effects of the reform on those companies' financial statements. These amendments complement amendments issued in 2019 and focus on the effects on financial statements when a company replaces the old interest rate benchmark with an alternative benchmark rate as a result of the reform. The new amendments relate to:

•changes to contractual cash flows – a company will not be required to derecognize or adjust the carrying amount of financial instruments for changes required by the interest rate benchmark reform, but will instead update the effective interest rate to reflect the change to the alternative benchmark rate;

•hedge accounting – a company will not have to discontinue its hedge accounting solely because it makes changes required by the interest rate benchmark reform if the hedge meets other hedge accounting criteria; and
•disclosures – a company will be required to disclose information about new risks that arise from the interest rate benchmark reform and how the company manages the transition to alternative benchmark rates.

These amendments are effective on or after January 1, 2021, with early adoption permitted.

In February 2021 the IASB issued amendments to IAS 1 — Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies which require companies to disclose their material accounting policy information rather than their significant accounting policies and provide guidance on how to apply the concept of materiality to accounting policy disclosures. These amendments are effective on or after January 1, 2023. The Company does not expect any material impact from the adoption of these amendments.

In February 2021 the IASB issued amendments to IAS 8 — Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates which clarify how companies should distinguish changes in accounting policies from changes in accounting estimates. These amendments are effective on or after January 1, 2023. The Company does not expect any material impact from the adoption of these amendments.

6. Operating segments

In measuring its performance, the Company does not distinguish or group its operations on a geographical or on any other basis, and accordingly has a single reportable operating segment.

Management has applied judgment by aggregating its operating segments into one single reportable segment for disclosure purposes. Such judgment considers the nature of the operations, and an expectation of operating segments within a reportable segment, which have similar long-term economic characteristics.

The Company's chief executive officer is the chief operating decision maker, and regularly reviews Real's operations and performance on an aggregate basis. Real does not have any significant customers or any significant groups of customers.

7. Qualifying transaction

A. ADL Ventures Inc

On June 5, 2020, Real completed its transaction with the company formerly known as ADL Ventures Inc. ("ADL"), a capital pool company, incorporated under the Business Corporations Act (British Columbia), which constitutes the Company's "Qualifying Transaction" under Policy 2.4 – Capital Pool Companies of the TSX-V

7. Qualifying transaction (Cont.)

A. ADL Ventures Inc (Cont.)

On March 5, 2020, Real and ADL entered into a securities exchange agreement (the "Securities Exchange Agreement") pursuant to which ADL would acquire all the issued and outstanding securities of Real as part of the Qualifying Transaction. The Securities Exchange Agreement provided for the acquisition of all the issued and outstanding common shares, warrants and options of Real by ADL in exchange for common shares and options of ADL. As a result of the Qualifying Transaction, ADL became the sole beneficial owner of all the outstanding securities of Real.

	Note	Number of options	Number of shares	Value
ADL shares and options issued and outstanding		**1,200**	**9,100**	**271**
Effect of transaction with ADL:				
Increase in value of ADL shares and options issued to shareholders of ADL	*i*	-	-	**459**
Shares issued pursuant to private placement	*ii*	-	**20,758**	**1,588**
Shares and options issued to shareholders of Real	*iii*	**5,671**	**42,144**	-
Conversion of Real series A preferred shares	*iv*	-	**68,460**	**11,750**
Conversion of Real convertible debt	*v*	-	**3,295**	**250**
ADL options exercised	*vi*	-	**675**	**2**
Effect of transaction on share capital		**6,871**	**144,432**	**14,320**

B. Transactions

i. Increase in value of ADL shares and options issued to shareholders of ADL

Accounting for the transaction under IFRS 2, *Share-based payment arrangements*, the fair value of the existing shares and options of ADL are increased by $459, with a corresponding increase in listing expenses (see Note C) for further details).

ii. Shares issued pursuant to private placement

Concurrent with the Qualifying Transaction, Real raised $1,588 by way of a private placement of subscription receipts (the "Private Placement"). Each subscription receipt was exercisable into one common share, automatically, and upon completion of the Qualifying Transaction.

The common shares issued pursuant to the Private Placement are subject to a six-month regulatory hold period from the date of closing the Private placement, comprised of a four-month regulatory hold plus a two-month hold period based on contractual lock-up commitments of the subscribers.

iii. Shares and options issued to shareholders of Real

Real had 41,797 ordinary stock and 5,671 options exchanged for ADL common stock on a basis of 1 to 1.0083.

7. Qualifying transaction (cont.)

iv. Conversion of Real series A preferred shares

Immediately prior to the Qualifying Transaction, Real series A preferred shares were converted on a one-for-one basis into Real ordinary stock and exchanged for ADL common stock on a basis of 1 to 1.0083.

C. Reverse asset acquisition

v. Conversion of convertible debt

On February 17, 2020 and March 31, 2020, Real raised an aggregate of $250 by way of convertible loan, with the principal amounts converted immediately prior to the closing of the transaction at a price per share of $0.07587 which was in turn exchanged into common shares on a basis of 1 to 1.0083.

vi. ADL options exercised

Subsequent to the transaction, 675 of the ADL options were exercised into common shares.

ADL's operations did not constitute a business and therefore the Qualifying Transaction is not within the scope of IFRS 3, *Business combinations*, however, the audited consolidated financial statements are similar to those under reverse acquisition accounting, with the exception of no goodwill arising on combination. The difference between the fair value of the shares issued by the acquirer and the fair value of the acquiree's identifiable net assets represents a service of listing for its shares under IFRS 2, and is represented at fair value in the table below.

The consideration transferred for the acquisition is as follows:

Fair value of 9,100 post-consolidated ADL shares	696
Fair value of 1,200 post-consolidated ADL options	34
Total value to shareholders	730
Less: recognized assets acquired	(321)
Add: identifiable liabilities assumed	50
Listing expenses	459

Additional $376 expenses for professional fees relating to the Qualifying Transaction were included in Listing expenses in the statements of loss and comprehensive loss.

8. Pipe Transaction

On December 2, 2020, the Company completed an equity investment by private equity funds indirectly controlled by Insight Holdings Group, LLC (the "Insight Partners") for gross proceeds of USD $20 million (approximately CAD $26.28 million)

Insight Partners were issued (i) 17,286,842 preferred units (the "Preferred Units") of a newly and wholly owned subsidiary of the Company, Real PIPE, LLC formed under the laws of the State of Delaware, that are exchangeable into the same number of common shares of the Company ("Common Shares") and (ii) 17,286,842 share purchase warrants of the

8. Pipe Transaction (cont.)

Company that are exercisable for Common Shares (the "Warrants"). Each Warrant entitles the holder to subscribe and purchase one Common Share at an exercise price of CAD $1.9 for a period of 5 years, subject to certain acceleration terms.

The preferred shares and warrants were classified as equity. The preferred shares are presented as non- controlling interest in the financial statements.

9. Revenue

A. Revenue streams and disaggregation of revenue from contracts with customers

The Company generates revenue primarily from commissions from the sale of real estate properties. Other sources of revenue include subscription income from the brokerage-platform and immaterial amounts relating to auxiliary services.

In the following table, revenue from contracts with customers is disaggregated by major products and service lines and timing of revenue recognition.

	Twelve months ended Dec 31,	
	2020	**2019**
Major service lines		
Commissions	**16,427**	15,672
Subscriptions	**88**	57
Other	**44**	22
Total revenue	**16,559**	15,751
Timing of revenue recognition		
Products transferred at a point in time	**16,427**	15,672
Services transferred over time	**88**	57
Revenue from contracts with customers	**16,515**	15,729
Other revenue	**44**	22
Total revenue	**16,559**	15,751

10. Expenses by nature

	Twelve months ended December 31,	
	2020	**2019**
Cost of sales	**14,405**	13,785
Operating Expenses		
Compensation expenses	**2,216**	1,058
Consultancy	**1,164**	853
Advertising expenses	**717**	554
Administrative expenses	**571**	655
Dues and subscriptions	**137**	309
Depreciation	**91**	137
Travel	**32**	40
Occupancy costs	**25**	23
Other	**15**	5
Total cost of sales, selling expenses, administrative expenses	**19,373**	17,419

11. Loss per share

A. Weighted average number of ordinary shares

In thousands of shares	**2020**	**2019**
Issued ordinary shares at beginning of period	**41,797**	41,797
Effect of Qualifying Transaction	**53,560**	-
Effect of Private Placement	**5,211**	-
Effect of Pipe Transaction	**1,279**	
Weighted-average number of ordinary shares at December 31,	**101,847**	41,797
Earnings per share		
Basic and diluted loss per share	**(0.04)**	(0.05)

12. Share-based payment arrangements

A. Description of share-based payment arrangements

i. Stock option plan (equity-settled)

On January 20, 2016, the Company established a stock-option plan that entitles key management personnel and employees to purchase shares in the Company. Under the stock-option plan, holders of vested options are entitled to purchase shares based on the exercise price as determined at grant date.

The key terms and conditions related to the grants under these programs are as follows; all options are to be settled by physical delivery of shares.

12. Share-based payment arrangements (Cont.)

B. Measurement of fair values

Grant date	Number	Conditions	Life
31-Dec-19	5,791		
June, 2020	2	Quarterly vesting	5.6 years
June, 2020	3	Immediate	5.6 years
June, 2020	4,000	25% on first anniversary, then quarterly vesting	10 years
June, 2020	450	50 immediately, then quarterly vesting	10 years
June, 2020	1,400	400 immediately, then quarterly vesting	10 years
June, 2020	1,123	1 year	10 years
June, 2020	50	Immediate	10 years
June, 2020	225	Immediate	7.8 years
30-Jun-20	7,253		
August, 2020	50	Immediate	10 years
August, 2020	499	Quarterly Vesting	10 years
30-Sep-20	549		
October, 2020	220	Quarterly Vesting	10 years
31-Dec-20	220		

The fair value of the stock-options have been measured using the Black-Scholes formula which was also used to determine the Company's share value. Service and non-market performance conditions attached to the arrangements were not considered in measuring fair value.

The inputs used in the measurement of the fair values at the grant and measurement date were as follows:

12. Share-based payment arrangements (Cont.)

B. Measurement of fair values (cont.)

	December 31, 2020	December 31, 2019
Share price	$ 0.92	$0.13
Exercise price	$0.10 to $1.76	$0.13
Expected volatility (weighted-average)	65.0% to 66.1%	66.1%
Expected life (weighted-average)	3 to 10 years	4 years
Expected dividends	–%	–%
Risk-free interest rate (based on government bonds)	1.38%	2.14%

Expected volatility has been based on an evaluation of comparable companies historical volatility of the share price, particularly over the historical period commensurate with the expected term.

C. Reconciliation of outstanding stock-options

The number and weighted-average exercise prices of stock-options under the stock option plan (see A(i)) are as follows:

	Number of options December 31, 2020	Weighted-average exercise price December 31, 2020	Number of options December 31, 2019	Weighted-average exercise price December 31, 2019
Outstanding at beginning of period (year)	5,791	$ 0.13	5,107	$ 0.13
Granted	8,022	$ 0.37	684	$ 0.13
Exercised	(962)	$ (0.10)	-	$ -
Outstanding at end of period (year)	12,851	$ 0.27	5,791	$ 0.13
Exerciseable at period (year)	3,103		470	

The stock-options outstanding as at December 31, 2020 had an exercise price of $0.27 (2019: $0.13) and a weighted-average contractual life of 3.6 years (2019: 4 years).

i. Restricted share unit plan

On September 21, 2020, the Company established a restricted share unit plan. Under the plan agents are eligible to receive restricted share units (“RSU’s”) that vest as common shares of Real. The RSU’s are earned in recognition of personal performance and ability to attract agents to Real. The expense recognized in relation to these awards for the period ended December 31, 2020 was $24 and is recorded as a stock-based compensation expense on the consolidated statements of loss and comprehensive loss.

RSU’s purchased in the agent stock purchase plan are based on a percentage of commission withheld to purchase stock. These RSU's are expensed in the period in which those awards are deemed to be earned with a corresponding increase in liability. All awards under this plan are subject to a 12-month holding period. The liability will be classified into equity

12. Share-based payment arrangements (Cont.)

C. Reconciliation of outstanding stock-options (cont.)

i. Restricted share unit plan (cont.)

after the 12-month holding period has passed. The company will grant an additional 25% of shares as a bonus after the 12-month holding period has passed. The bonus RSU's are expensed in the period the original award is deemed earned with a corresponding increase in stock-based compensation reserve.

RSU's awarded for personal performance and the ability to attract agents earned in recognition of personal performance conditions and are subject to a 3-year vesting period. The company recognizes this expense during the applicable vesting period based upon the best available estimate of the number of equity instruments expected to vest with a corresponding increase in stock-based compensation reserve.

13. Income taxes

A. Reconciliation of effective tax rate

	2020	2020	2019	2019
Loss before tax from continuing operations	**(3,621)**		(2,251)	
Recovery using the Company's domestic tax rate	**(945)**	**26.10%**	(588)	26.10%
Reduction in tax rate	-	-	-	0.00%
Tax effect of:				
Non-deductible expenses	-	-	-	-
Current-year losses for which no deferred tax asset is recognized	945	-26%	588	-26%

B. Deferred taxes

The Company has non-capital loss carry-forwards for income tax purposes of $6,395 (2019 - $5,128), which may be available to reduce taxable income in future years. The potential benefit of these losses has not been recognized in the financial statements as deferred tax assets.

14. Trade receivables

	December 31, 2020	December 31, 2019
Trade receivables	117	64
Less: allowance for trade receivables	-	(8)
Trade receivables	117	56

Information about the Company's exposure to credit and market risks, and impairment losses for trade receivables is included in Note 21

15. Other receivables

On May 9, 2020, the Company entered into a loan agreement with JPMorgan Chase Bank as the lender ("Lender") in an aggregate principal amount of $172 ("PPP Loan") as part of the Paycheck Protection Program under the Coronavirus Aid, Relief, and Economic Security ("Cares") Act. The PPP Loan was an advance promissory note. On December 31, 2020, the Company received forgiveness from the Lender equal to the sum covered for payroll costs of $168. The income resulting from forgiveness of the PPP Loan is reflected as Other income on the Statement of comprehensive loss.

16. Cash

	December 31, 2020	December 31, 2019
Bank balances	21,226	53
Restricted cash	47	43
Cash	21,273	96

17. Property and equipment and right-of-use assets

Reconciliation of carrying amount

	Right-of-use assets	Computer equipment	Furniture and equipment	Total
Cost				
Balance at December 31, 2019	433	21	65	**519**
Additions	69	12	4	**85**
Balance at December 31, 2020	502	33	69	604
Accumulated depreciation				
Balance at December 31, 2019	221	21	64	**306**
Depreciation	88	3	-	**91**
Balance at December 31, 2020	309	24	64	397
Carrying amounts				
At December 31, 2019	212	-	1	**213**
At December 31, 2020	193	9	5	207

18. Capital and reserves

A. Share capital and share premium

All ordinary shares rank equally with regards to the Company's residual assets. Preference shareholders participate only to the extent of the face value of the shares.

		Share Premium		Non-controlling interests		Non-redeemable preference shares	
	Note	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
In issue at beginning of period (year)		1,265	1,265	-	-	11,750	10,750
Issued for cash		-	-	-	-	-	1,000
Conversion	*5*	11,750	-	-	-	(11,750)	-
Private placement	*5*	1,588	-	-	-	-	-
ADL shares	*5*	730	-	-	-	-	-
Conversion of convertible debt	*5*	250	-	-	-	-	-
Exercise of stock options	*5*	2	-	-	-	-	-
Private placement	*13*	500	-	-	-	-	-
Warrants issued via Pipe transaction	*8*	5,583	-	-	-	-	-
Shares issued via Pipe transaction	*8*	-	-	14,818	-	-	-
In issue at end of period (year) – fully paid		21,668	1,265	14,818	-	-	11,750
Authorized (thousands of shares)		Unlimited	123,000	Unlimited	123,000	66,000	66,000

i. Preferred shares

During 2019, the Company completed a private placement of 7,143 series A preferred shares at a price of $0.14. The aggregate fair value of preferred shares issued were $1,000.

During 2020, the Company completed the Qualifying Transaction (Note 7) whereby the 68,460 series A preferred shares were converted into common shares.

ii. Non- controlling interests

During 2020, the Company completed the Pipe Transaction whereby 17,286,842 of preferred units at an aggregate price of CAD $1.52 per Preferred Unit were issued along with Warrants. The Preferred Units may be exchanged into common shares on a one-for-one basis. In connection with the Pipe Transaction, the Company also issued 17,286,842 warrants. Each Warrant will be exercisable into one common share at a price of CAD $1.90.

iii. Private Placement

During 2020, Real raised an aggregate amount of $500 ($665 CAD) less customary expenses) by way of a non-brokered private placement of 1,900 common shares at a price of $0.35 CAD per common share. The common shares issued in the non-brokered private placement will be subject to a four-month hold period and a six-month contractual lock-up.

19. Capital management

Real defines capital as its equity. The Company's objective when managing capital is:

– to safeguard the ability to continue as a going concern, so that it can continue to provide returns to shareholders and benefits to other stakeholders; and

– to provide adequate return to shareholders by obtaining an appropriate amount of financing commensurate with the level of risk.

The Company sets the amount of capital in proportion to the risk. Real manages its capital structure and adjusts considering changes in economic conditions and the characteristic risk of underlying assets. To maintain or adjust the capital structure, the Company may repurchase shares, return capital to shareholders, issue new shares or sell asset to reduce debt.

Real's objective is met by retaining adequate liquidity to provide the possibility that cash flows from its assets will not be sufficient to meet operational, investing and financing requirements. There have been no changes to the Company's capital management policies during the periods ended December 31, 2020 and 2019

20. Lease Liabilities

	December 31, 2020	December 31, 2019
Maturity analysis – contractual undiscounted cash flows		
Less than one year	90	124
One year to five years	181	106
Total undiscounted lease liabilities	271	230
Lease liabilities included in the balance sheet	215	222
Current	85	122
Non-current	130	100

21. Financial instruments – Fair values and risk management

A. Accounting classifications and fair values

	December 31, 2020						
	Carrying amount			Fair value			
	Financial assets not measured at fair value	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Financial assets not measured at fair value							
Cash	21,226	-	21,226	21,226	-	-	21,226
Restricted cash	47	-	47	47	-	-	47
Trade receivables	117	-	117	117	-	-	117
Other receivables	221	-	221	221	-	-	221
Total financial assets not measured at fair value	21,611	-	21,611	21,611	-	-	21,611
Financial liabilities not measured at fair value							
Accounts payable and accrued liabilities	-	815	815	815	-	-	815
Other payables	-	64	64	64	-	-	64
Loans and borrowings	-	-	-	-	-	-	-
Total financial liabilities not measured at fair value	-	879	879	879	-	-	879

B. Transfers between levels

During the year ended December 31, 2020 and 2019, there have been no transfers between Level 1, Level 2 and Level 3.

C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

– credit risk (see (C)(ii));

– liquidity risk (see (C)(iii));

– market risk (see (C)(iv));

21. Financial instruments – Fair values and risk management (Cont.)

C. Financial risk management (Cont.)

i. Risk management framework

The Company's activity exposes it to a variety of financial risks, including credit risk, liquidity risk and market risk. These financial risks are managed by the Company under policies approved by the Board of Directors. The principal financial risks are actively managed by the Company's finance department, within Board approved policies and guidelines.

On an ongoing basis, the finance department actively monitors the market conditions, with a view of minimizing exposure of the Company to changing market factors, while at the same time limiting the funding costs of the Company.

The Company's audit committee oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers. The receivables are processed through an intermediary trustee, as part of the structure of every deal, which ensures collection on the close of a successful transaction. In order to mitigate the residual risk, the Company contracts exclusively with reputable and credit-worthy partners.

The carrying amount of financial assets and contract assets represents the maximum credit exposure.

Trade receivables and contract assets

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers other factors may influence the credit risk of the customer base, including the default risk associated with the industry and the country in which the customers operate.

The risk management committee has established a credit policy under which each new customer is analyzed individually for creditworthiness before the Company's standard payment and terms and conditions are offered.

The Company does not require collateral in respect to trade and other receivables. The Company does not have trade receivable and contract assets for which no loss allowance is recognized because of collateral.

As at December 31, 2020, the exposure to credit risk for trade receivables and contract asset by geographic region was as follows.

	December 31, 2020	December 31, 2019
US	117	64
Other regions	-	-
Balance sheet exposure	117	64

21. Financial instruments – Fair values and risk management (Cont.)

C. Financial risk management (Cont.)

ii. Credit risk (cont.)

The Company uses an allowance matrix to measure the ECLs of trade receivables from individual customers, which comprise a very large number of small balances.

iii. Liquidity risk

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off. Roll rates are calculated separately for exposures in different segments based on the following common credit risk characteristics – geographic region, credit information about the customer and the type of home purchased.

Loss rates are based on actual credit loss experience. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historical data has been collected, compared to current conditions of the Company's view of economic conditions over the expected lives of the receivables.

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to maintaining liquidity is to ensure, as far as possible, that it will have sufficient cash and cash equivalents and other liquid assets to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

iv. Market risk

Market risk is the risk that changes in market prices – e.g. foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Currency risk

The Company is exposed to transactional foreign currency risk to the extent there is a mismatch between currencies in which purchases and receivables are denominated and the respective functional currencies of the Company. The currencies in which transactions are primarily denominated are US dollars and Israeli shekel.

Exposure to currency risk

Sensitivity analysis

A reasonably possible strengthening (weakening) of the US dollar or Israeli shekel against all other currencies in which the Company operates as at December 31, 2020 would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

21. Financial instruments – Fair values and risk management (Cont.)

C. Financial risk management (Cont.)

iv. Market risk (Cont.)

	Average rate		Year-end spot rate	
	Strengthening	Weakening	Strengthening	Weakening
December 31, 2020				
ILS (- 5% movement)	209	(209)	199	(199)
December 31, 2019				
ILS (5% movement)	101	(101)	94	(94)

Foreign Currency Risk Management

The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilizing forward foreign exchange contracts.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows.

	Liabilities		Assets	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
ILS	(103)	(56)	863	70
CAD	(54)	-	300	-
Total Exposure	**(157)**	**(56)**	**1,163**	**70**

22. Commitments and contingencies

The Company may have various other contractual obligations in the normal course of operations. The Company is not contingently liable with respect to litigation, claims and environmental matters, including those that could result in mandatory damages or other relief. Any expected settlement of claims in excess of amounts recorded will be charged to profit or loss as and when such determination is made.

23. Related parties

Key management personnel compensation comprised the following.

	2020	2019
Salaries and benefits	843	429
Short-term employee benefits	6	8
Consultancy	44	19
Share-based payments	947	488
Compensation expenses related to Management	1,840	944

24. Subsequent events

A. Acquisition

On January 11, 2021 Real completed the acquisition of the business assets and intellectual property of RealtyCrunch Inc. ("**RealtyCrunch"**). The transaction was settled in cash for an aggregate purchase price of USD $1.1 million plus 184,275 Common Share purchase warrants of Real. Each warrant is exercisable into one Common Share at a price of CAD $1.36 for a period of four years. In connection with this acquisition, Real also granted 2,440,773 stock options ("Options"), which vest over a 4 year period. The Company is assessing whether the acquisition is under the scope of IFRS 3, business combination.

In connection with the RealtyCrunch transaction, Pritesh Damani joined Real as Chief Product Officer.

B. Management Compensation

On January 27, 2021 the Company granted 1,835,000 stock options to certain directors and executives of the Company, which vest over a period of 1-4 years.

FORM 13-501F1
CLASS 1 REPORTING ISSUERS AND CLASS 3B REPORTING ISSUERS – PARTICIPATION FEE

MANAGEMENT CERTIFICATION

I, Michelle Ressler, an officer of the reporting issuer noted below have examined this Form 13-501F1 (the **Form**) being submitted hereunder to the Alberta Securities Commission and certify that to my knowledge, having exercised reasonable diligence, the information provided in the Form is complete and accurate.

"Michelle Ressler" — March 16, 2021

Name: Michelle Ressler — Date:

Title: Chief Financial Officer

Reporting Issuer Name: The Real Brokerage Inc.

End date of previous financial year: December 31, 2020

Type of Reporting Issuer: **[ ] Class 1 reporting issuer** **[ ] Class 3B reporting issuer**

Highest Trading Marketplace: TSX Venture

Market value of listed or quoted equity securities:

Equity Symbol REAX

1st Specified Trading Period (dd/mm/yy) 1/01/20 to 31/03/20

Closing price of the security in the class or series on the last trading day of the specified trading period in which such security was listed or quoted on the highest trading marketplace $ 0.0750 (i)

Number of securities in the class or series of such security outstanding at the end of the last trading day of the specified trading period			9,100,000 (ii)
Market value of class or series	(i) x (ii)	$	682,500.0000 (A)

2nd Specified Trading Period (dd/mm/yy) 01/04/20 to 30/06/20

Closing price of the security in the class or series on the last trading day of the specified trading period in which such security was listed or quoted on the highest trading marketplace		$	0.4800 (iii)
Number of securities in the class or series of such security outstanding at the end of the last trading day of the specified trading period			141,112,580 (iv)
Market value of class or series	(iii) x (iv)	$	67,734,038.4 (B)

3rd Specified Trading Period (dd/mm/yy) 01/07/20 to 30/09/20

Closing price of the security in the class or series on the last trading day of the specified trading period in which such security was listed or quoted on the highest trading marketplace		$	2.2100 (v)
Number of securities in the class or series of such security outstanding at the end of the last trading day of the specified trading period			143,266,154 (vi)
Market value of class or series	(v) x (vi)	$	316,618,200.34 (C)

4th Specified Trading Period (dd/mm/yy)	01/10/20	to	31/12/
Closing price of the security in the class or series on the last trading day of the specified trading period in which such security was listed or quoted on the highest trading marketplace	(vii)		$ 1.1800
Number of securities in the class or series of such security outstanding at the end of the last trading day of the specified trading period			143,309,075 (viii)
Market value of class or series	(vii) x (viii)		$ 169,104,708.5 (D)
5th Specified Trading Period (dd/mm/yy)	N/A	to	N/A
Closing price of the security in the class or series on the last trading day of the specified trading period in which such security was listed or quoted on the highest trading marketplace			$ (ix)
Number of securities in the class or series of such security outstanding at the end of the last trading day of the specified trading period			(x)
Market value of class or series	(ix) x (x)		$ (E)
Average Market Value of Class or Series (Calculate the simple average of the market value of the class or series of security for each applicable specified trading period (i.e. A through E above))			$ 138,534,861.81 (**1**)

(Repeat the above calculation for each other class or series of equity securities of the reporting issuer (and a subsidiary, if applicable) that was listed or quoted on a marketplace at the end of the previous financial year)

Fair value of outstanding debt securities:

(Provide details of how value was determined)		$ 0.0000
		(**2**)
Capitalization for the previous financial year	(1) + (2)	$ 138,534,861.81
Participation Fee		$ 6,500.0000
Late Fee, if applicable		$
Total Fee Payable (Participation Fee plus Late Fee)		$ 6,500.0000

The Real Brokerage Inc.

Management's Discussion and Analysis

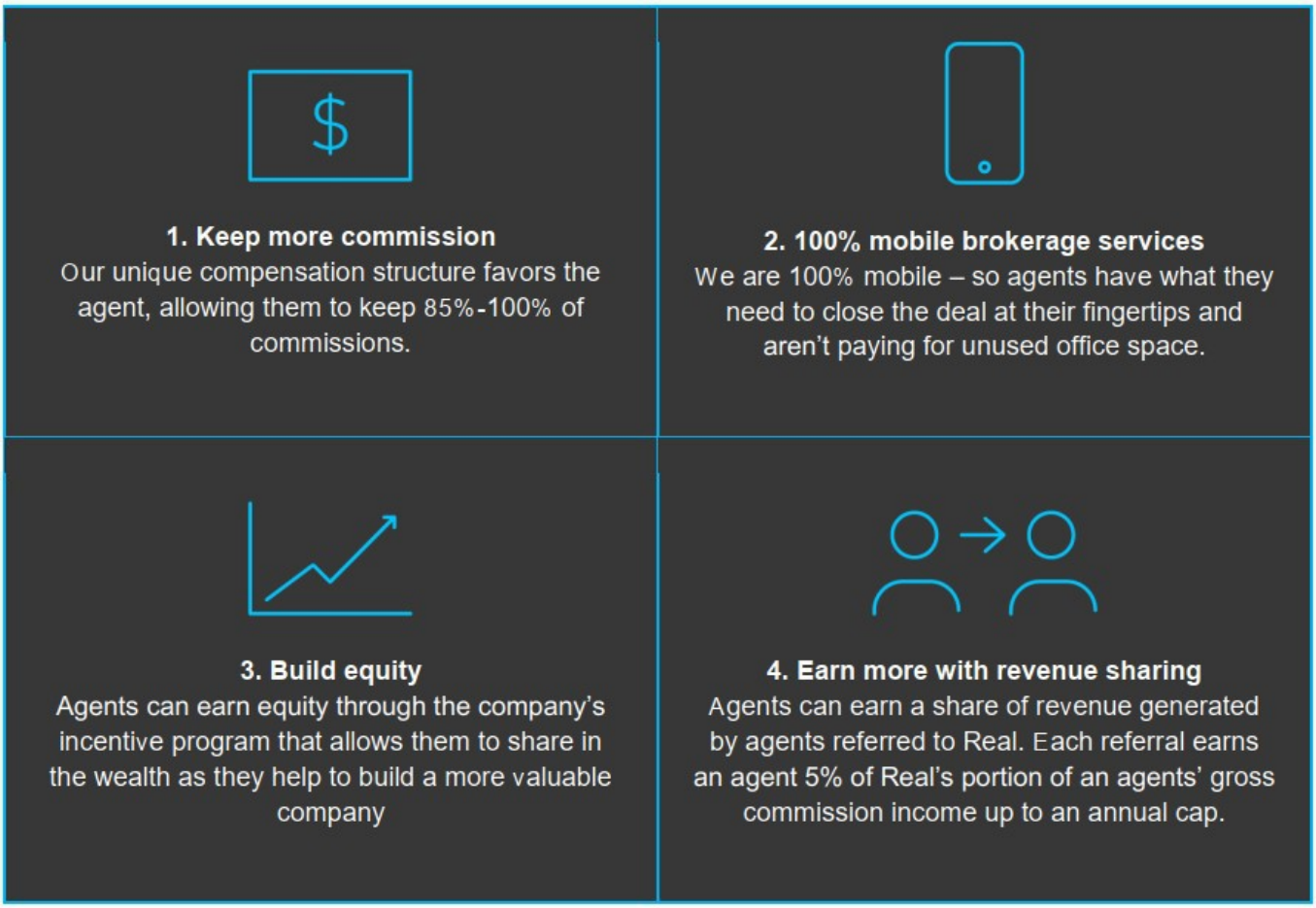
For the year ended December 31, 2020

March 19, 2021

Building Your Future, Together

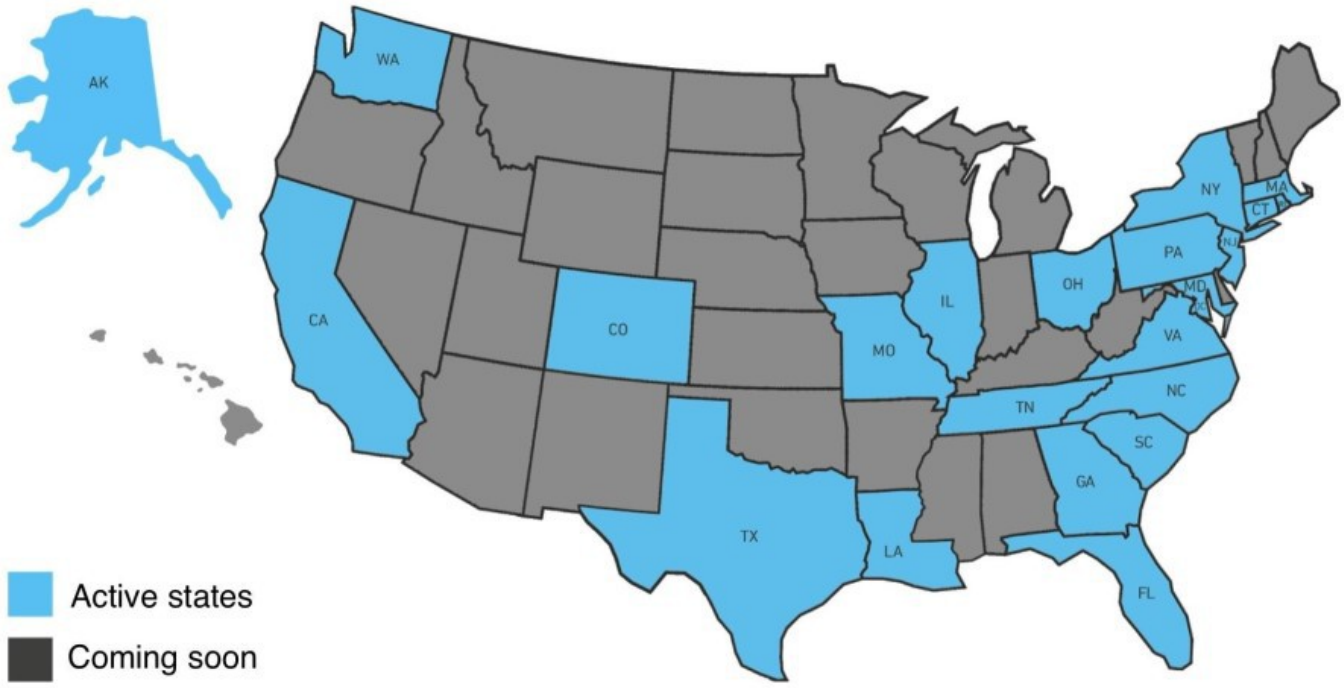
Real is a technology-powered real estate brokerage that is shaking up a $100B residential real estate brokerage industry with a new model that focuses on creating financial opportunity for agents. Because when you put agents first, you put clients first.

Real creates financial opportunities for agents in four key ways:



2020 Highlights

Real was founded in 2014 and is headquartered in Toronto and New York City. We provide brokerage services for the real estate market in the United States. At year end 2020, we were licensed in 22 states and the District of Columbia. Our fast-growing network of agents allows for strong relationship building, access to a nationwide referral network and seamless expansion opportunities.



1475	23	$16.6M	$589M
Agents, End of Year 2020	States (22 and D.C.), End of Year 2020	Revenue, 2020, End of Year 2020	Value of sold homes, End of Year 2020

Introduction

This Management's Discussion and Analysis ("MD&A") is provided to enable a reader to assess the results of operations and financial condition of The Real Brokerage Inc. (formerly ADL Ventures Inc.) ("Real" or the "Company"). for the years ended December 31, 2020 and 2019. This MD&A is dated March 19, 2021 and should be read in conjunction with the audited consolidated financial statements and related notes for the years ended December 31, 2020 and 2019 ("Financial Statements"). Unless the context indicates otherwise, references to "Real", "the Company", "we", "us" and "our" in this MD&A refer to The Real Brokerage Inc. and its operations.

Forward-looking information

Certain information included in this MD&A contains forward-looking information within the meaning of applicable Canadian securities laws. This information includes, but is not limited to, statements made in Business Overview and Strategy, Results from Operations, and other statements concerning Real's objectives, its strategies to achieve those objectives, as well as statements with respect to management's beliefs, plans, estimates and intentions, and similar statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical facts. Forward-looking information generally can be identified by the use of forward-looking terminology such as "outlook", "objective", "may", "will", "would", "expect", "intend", "estimate", "anticipate", "believe", "should", "plan", "continue", or similar expressions suggesting future outcomes or events or the negative thereof. Such forward-looking information reflects management's current beliefs and is based on information currently available. All forward-looking information in this MD&A is qualified by the following cautionary statements.

Forward looking information necessarily involves known and unknown risks and uncertainties, which may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, assumptions may not be correct and objectives, strategic goals and priorities may not be achieved. A variety of factors, many of which are beyond Real's control, affect the operations, performance and results of the Company and its subsidiaries, and could call actual results to differ materially from current expectations of estimated or anticipated events or results.

Although Real believes that the expectations reflected in such forward-looking information are reasonable and represent the Company's projections, expectations and beliefs at this time, such information involves known and unknown risks and uncertainties which may cause the Company's actual performance and results in future periods to differ materially from any estimates or projections of future performance or results expressed or implied by such forward-looking information. See Risks and Uncertainties for further information. The reader is cautioned to consider these factors, uncertainties, and potential events carefully and not to put undue reliance on forward-looking information, as there can be no assurance that actual results will be consistent with such forward-looking information.

The forward-looking information included in this MD&A is made as of the date of this MD&A and should not be relied upon as representing Real's views as of any date subsequent to the date of this MD&A. Management undertakes no obligation, except as required by applicable law, to publicly update or revise any forward-looking information, whether as a result of new information, future events or otherwise.

Business overview and strategy

Real is a growing multistate technology-powered real estate brokerage in the United States. We focus our operations on development of technology that helps real estate agents perform better as well as building a scalable, efficient brokerage operation that is not dependent on a cost-heavy brick and mortar presence in the markets that we operate in.

Business overview and strategy (cont'd)

As a licensed real estate brokerage, our revenue is generated, primarily, by processing real estate transactions which entitle us to commissions. We pay a portion of our commission revenue to our agents and brokers.

Our strength is our ability to offer real estate agents a higher value, through a proprietary technology stack, at a lower cost, compared to other brokerages, while operating efficiently and scaling quickly.

Accelerated Growth

Following our listing on the TSX-V and the launch of our Agent Equity Program, we have entered into a period of accelerated growth, driven by an increase in the number of agents joining us on a monthly basis, as well as higher productivity of those newer cohorts. The beginning of the impact of that growth is reflected in our Q4 2020 revenue figures and we expect this trend to continue and accelerate in the following quarters.

Our non-brick and mortar based model is becoming increasingly desirable, especially given COVID's impact on agents and their needs for a platform that will enable them to work from anywhere, without being tied to a physical office.

Focus on Technology

The real estate industry has been very slow at adopting technology and real estate transactions remain notoriously difficult to manage. We believe there is an opportunity to create agent focused software products that will create a differentiation between Real and other brokerages. We also acknowledge that profitability in our industry is closely tied to the improvement of internal operations efficiency through automation and the ability to scale and expand rapidly.

Recent developments

Insight Partners PIPE Transaction

On December 2, 2020, the Company completed an equity investment by private equity funds indirectly controlled by Insight Holdings Group, LLC (the "Insight Partners") for gross proceeds of USD $20 million (approximately CAD $26.28 million) Insight Partners were issued (i) 17,286,842 preferred units (the "Preferred Units") of a newly and wholly owned subsidiary of the Company, Real PIPE, LLC formed under the laws of the State of Delaware, that are exchangeable into the same number of common shares of the Company ("Common Shares") and (ii) 17,286,842 share purchase warrants of the Company that are exercisable for Common Shares (the "Warrants"). Each Warrant entitles the holder to subscribe and purchase one Common Share at an exercise price of CAD $1.90 for a period of 5 years, subject to certain acceleration terms. The preferred units and warrants were classified as equity. The preferred units are presented as non-controlling interests in the financial statements.

In connection with this transaction, the parties entered into a Securities Subscription Agreement, a Limited Liability Company Agreement, an Investor Rights Agreement, a Registration Rights Agreement, an Exchange and Support Agreement, and a Subordinated Guarantee Agreement. Copies of such documents have been filed under the Company's profile at www.sedar.com

With the additional funding, Real plans to accelerate development of its tech-powered brokerage services for real estate agents and their clients, including building additional services into its turnkey mobile app and opening more geographies.

Business overview and strategy (cont'd)

Recent developments (cont.)

Expansion to additional states

Real expanded its brokerage to Utah, Ohio and Oklahoma in in the fourth quarter of 2020.

Finance and Operations Leaders

On October 15, Michelle Ressler was appointed as chief financial officer ("**CFO**") effective immediately, replacing Gus Patel.

Business Strategy

Revenue-share model

As the vast majority of real estate agents are independent contractors, we believe that it is our responsibility to create multiple revenue sources and improve financial opportunities for agents. Our attractive commission split coupled with the equity incentives for agents provide great opportunities. We are now offering agents the opportunity to earn revenue-share, paid out of Real's portion of commissions, for new agents that they personally refer to Real. The program launched in November 2019 is having a major impact on our agent count and revenue growth.

Agent's experience

We focus on creating an unparalleled agent experience though development of a unique and comprehensive mobile focused platform. Our technology focuses on delivering agents an operating system for their business and assisting them with their marketing, productivity, support, education, transaction management and more.

Focus on teams

Real estate teams operate as "brokerages inside a brokerage". A team is typically formed by a high producing agent who attracts other agents to work with them and enjoy the lead flow and mentoring provided by the team leader. To attract teams, we enhanced our team offering to include the full benefits of revenue sharing and the equity program to allow brokers and agents a financial mechanism to build teams across geographical boundaries in any of the markets that we serve without incurring significant additional expense, oversight responsibility, or liability while preserving and enhancing the agents and brokers' personal brands. The growth in brokerage teams joining Real is having a positive impact, as reflected in fourth quarter revenue growth.

Tracking agent satisfaction

Agents' satisfaction is top-of-mind for Real and we use the Net Promoter Score® ("NPS") surveys for measurement and tracking. NPS is a measure of customer satisfaction and is measured on a scale between (100) and 100. An NPS above 50 is considered excellent. Real's fourth quarter NPS was 68, with agents expressing satisfaction with the business model, culture, technology, support and leadership. Areas of focus for continued improvement include agent training, more insight into payment and equity data, and a smoother mobile app experience.

Objectives

Real seeks to become one of the leading real estate brokerages in the United States. Using our proprietary technology, we look to provide agents with all the tools they need in order to manage and market their business and succeed. Real plans to accomplish this through: (i) proprietary integration of technology and tools focused on facilitating and improving tasks performed by agents. (ii) the offering of attractive business terms to agents and creation of multiple potential revenue streams for agents. (iii) providing excellent support and service to our agents, and (iv) the creation of a nationwide collaborative community of agents. Leveraging the engagement of real estate agents and home buyers and sellers, Real will seek to generate revenue through a variety of different channels.

Presentation of financial information and non-IFRS measures

Presentation of financial information

Unless otherwise specified herein, financial results, including historical comparatives, contained in this MD&A are based on Real's Financial Statements, which have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board ("**IASB**") and the interpretations of the IFRS Interpretations Committee. Unless otherwise specified, amounts are in U.S dollars and percentage changes are calculated using whole numbers.

Non-GAAP measures

In addition to the reported IFRS measures, industry practice is to evaluate entities giving consideration to certain non-GAAP performance measures, such as earnings before interest, taxes, depreciation and amortization ("**EBITDA**") or adjusted earnings before interest, taxes, depreciation and amortization ("**Adjusted EBITDA**").

Management believes that these measures are helpful to investors because they are measures that the Company uses to measure performance relative to other entities. In addition to IFRS results, these measures are also used internally to measure the operating performance of the Company.

These measures are not in accordance with GAAP and have no standardized definitions, and as such, our computations of these non-GAAP measures may not be comparable to measures by other reporting issuers. In addition, Real's method of calculating non-GAAP measures may differ from other reporting issuers, and accordingly, may not be comparable.

Earnings Before Interest, Taxes, Depreciation and Amortization

EBITDA is used as an alternative to net income because it excludes major non-cash items such as interest, taxes and amortization, which management considers non-operating in nature. A reconciliation of EBITDA to IFRS net income is presented under the section Results from Operations of this MD&A.

Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization

Adjusted EBITDA is used as an alternative to net income because it excludes major non-cash items such as amortization, interest, stock-based compensation, current and deferred income tax expenses and other items management considers non-operating in nature. A reconciliation of adjusted EBITDA to IFRS net income is presented under section Results from Operations of this MD&A.

Results from operations

Select annual information

For the period ended December 31,	2020	2019	2018
Operating results			
Total revenues	16,559	15,751	8,444
Loss from continuing operations	(3,621)	(2,251)	(2,524)
Loss attributable to owners of the parent	(3,621)	(2,251)	(2,524)
Per share basis			(0.06)
Basic and diluted loss per share	(0.04)	(0.05)	(0.05)

As at	*Note*	December 31, 2020	December 31, 2019	December 31, 2018
Total assets		21,907	408	1,357
Total non-current liabilities	*(ii)*	1,109	598	784
Non-current liabilities to total assets	*(i) (iii)*	5%	147%	58%
EBITDA	*(i) (iv)*	(3,390)	(1,531)	(2,226)
Adjusted EBITDA	*(i) (iv)*	(1,793)	(1,043)	(2,251)

(i) Represents a non-GAAP measure. Real's method for calculating non-GAAP measures may differ from other reporting issuers' methods and accordingly may not be comparable. For definitions and basis of presentation of Real's non-GAAP measures, refer to the non-GAAP measures section of this MD&A.

(ii) Total non-current liabilities is defined as accounts payable and other financial liabilities, less preferred equity.

(iii) Non-current liabilities to total assets is a non-GAAP measure and is calculated as total non-current liabilities divided by total assets.

(iv) EBITDA and Adjusted EBITDA is calculated on a trailing twelve month basis. Refer to non-GAAP measures section of this MD&A for further details.

For the year ended December 31, 2020, total revenues amounted to $16,559 compared to $15,751 for the year ended December 31, 2019. During the year ended December 31, 2019, the Company recognized a large commercial transaction which accounted for a significant portion of revenues, during the year ended December 31, 2020 all revenues were resulting from our core business activities. Thus, demonstrating that despite the negative impact of COVID19 on our business in the first half of the year, we are beginning to recognize the effects of accelerated growth. The increase in revenues is attributable to an increase in productive agents on our platform, as well as expanding the number of states in which we operate. We are continually investing in the acquisition of productive agents on our platform, which will further translate into a larger transaction volume closed by our agents.

Results from operations (cont'd)

A further breakdown in revenues generated during the year is included below:

	Twelve months ended Dec 31,	
	2020	2019
Major service lines		
Commissions	16,427	15,672
Subscriptions	88	57
Other	44	22
Total revenue	16,559	15,751
Timing of revenue recognition		
Products transferred at a point in time	16,427	15,672
Services transferred over time	88	57
Revenue from contracts with customers	16,515	15,729
Other revenue	44	22
Total revenue	16,559	15,751

A further breakdown in expenses during the year is included below:

	Twelve months ended December 31,	
	2020	2019
Cost of sales	14,405	13,785
Operating Expenses		
Compensation expenses	2,216	1,058
Consultancy	1,164	853
Advertising expenses	717	554
Administrative expenses	571	655
Dues and subscriptions	137	309
Depreciation	91	137
Travel	32	40
Occupancy costs	25	23
Other	15	5
Total cost of sales, selling expenses, administrative expenses	19,373	17,419

We believe that growth can and should be balanced with profits and therefore plan and monitor spend responsibly to ensure we decrease our losses and work towards being EBITDA positive. Our loss as a percentage of total revenue was 22% for the year ended December 31, 2020 and 14% for the year ended December 31, 2019. This was primarily due to an increase in administrative expenses as a result of our go-public transaction.

For the year ended December 31,	2020	2019
Revenues	16,559	15,751
Cost of sales	14,405	13,785
Cost of sales as a percentage of revenues	87%	88%

Results from operations (cont'd)

The total cost of sales for the year ended December 31, 2020 was $14,405 in comparison to $13,785 for the year ended December 31, 2019. We typically pay our agents 85% of the gross commission earned on every real estate transaction and, as the total revenue increases, the total commission to agents' expense increases accordingly.

Our compensation expenses for the year ended December 31, 2020 was $2,216 in comparison to $1,058 for the year ended December 31, 2019. The increase in compensation expenses were primarily due to an increase in stock-based compensation expense of $1,138 in comparison to $488 for the year ended December 31, 2019 as well as an increase in salaries and benefits. The salaries and benefits expenses for the year end December 31, 2020 were $1,078 in comparison to $396 for the year ended December 31, 2019. At December 31, 2020, Real had 25 full time employees which was an increase from 11 full time employees at December 31, 2019. The increase is attributable to Real's commitment to better service its agents and to the growth and expansion of the company.

Our consultancy expenses for the year ended December 31, 2020 was $1,164 in comparison to $853 for the year ended December 31, 2019. The increase in consultancy expenses was primarily due to legal and professional fees in connection with the listing on the TSX Venture Exchange and OTCQX Best Market.

Our advertising expenses for the year ended December 31, 2020 was $717 compared to $554 for the year ended December 31, 2019 due to our efforts to attract agents. We track the performance of each of our advertising channels and constantly optimize spending. We advertise on multiple online platforms and websites such as Google Adwords, Facebook and Indeed.

Summary of Quarterly Information

The following table provides selected quarterly financial information for the four most recently completed financial quarters ended December 31, 2020. This information reflects all adjustments of a recurring nature that are, in the opinion of management, necessary to present a fair statement of the results of operations for the periods presented. Quarter-to- quarter comparisons of financial results are not necessarily meaningful and should not be relied upon as an indication of future performance.

	2020			
	Q4	Q3	Q2	Q1
Revenue	7,090	3,939	2,594	2,936
Cost of sales	6,342	3,198	2,313	2,552
Cost of sales	6,342	3,198	2,313	2,552
Gross profit	748	741	281	383
Administrative expenses	1,774	988	482	784
Advertising expenses	268	88	209	152
Research and development expenses	76	75	49	23
Other income	(167)	-	(1)	-
Operating loss	(1,203)	(410)	(458)	(575)
Listing expenses	32	-	803	-
Finance costs (income). Net	111	12	15	2
Loss before tax	(1,346)	(422)	(1,276)	(577)
Income taxes	-	-		
Net Loss	(1,346)	(422)	(1,276)	(577)
Total loss and comprehensive loss	(1,346)	(422)	(1,276)	(577)
Earnings per share				
Basic and diluted loss per share	(0.009)	(0.003)	(0.008)	(0.006)

Quarterly trends and risks

Our quarterly results are dependent on the economic conditions within the markets for which we operate. The Company's revenue and income can experience considerable variations from quarter to quarter and year to year due to factors beyond the Company's control. The business is affected by the overall conditions of the real estate market, influenced primarily by economic growth, interest rates, unemployment, inventory, and mortgage rate volatility. The Company's revenue from a real estate transaction is recorded only when a real estate transaction has been closed. Consequently, the timing of revenue recognition can materially affect quarterly results.

For the first half of 2020, the COVID-19 pandemic adversely affected the Company's business and business worldwide. However, the impact of COVID-19 on the Company for year ended December 31, 2020 was not significant and the Company demonstrated accelerated growth on the second half of the year and in the fourth quarter in particular. The Company is positioned to continue to grow despite the fluctuations in economic activity resulting from COVID-19.

Liquidity and capital resources

Liquidity and cash management

Our primary sources of liquidity are cash and cash flows from operations as well as cash raised from investors in exchange for issuance of shares. The Company expects to meet all of its obligations and other commitments as they become due. The Company has various financing sources to fund operations and will continue to fund working capital needs through these sources along with cash flows generated from operating activities.

At December 31, 2020, our cash totaled $21,226. Cash is comprised of financial instruments with an original maturity of 90 days or less from the date of purchase, primarily money market funds. We hold no marketable securities.

Financial Instruments

A significant portion of the Company's assets are comprised of financial instruments. Cash held in deposit accounts is measured at amortized cost. Investments in money market funds are held at fair value through profit or loss. These financial instruments are subject to insignificant risk of changes in value.

Financing activities

We believe that our existing balances of cash and cash flows expected to be generated from our operations will be sufficient to satisfy our operating requirements for at least the next three years.

Our future capital requirements will depend on many factors, including our level of investment in technology, our rate of growth into new markets, and potential mergers and acquisitions. Our capital requirements may be affected by factors that we cannot control such as the residential real estate market, interest rates, and other monetary and fiscal policy changes to the manner in which we currently operate. To support and achieve our future growth plans, however, we may need or seek to obtain additional funding through equity or debt financing.

The following table presents liquidity as a percentage of debt:

As at,	**December 31, 2020**	**December 31, 2019**
Cash	**21,226**	53
Restricted cash	**47**	43
Other receivables	**221**	10
Liquidity	**21,494**	106
Loans and borrowings	**-**	-
Debt	**-**	-
Liquidity expressed as a percentage of debt	**0%**	0%

The Company's debt obligations can be funded by cash, restricted cash, other receivables and revenues from operations.

Contractual obligations

As at December 31, 2020 the Company had no guarantees, leases, off-balance sheet arrangements other than those noted in our results from operations. We have a lease for our New York office that expires on June 30, 2023. The monthly rent expense per the lease for the year ended December 31, 2020 is $7 per month.

Liquidity and capital resources (cont'd)

Capital management framework

Real defines capital as the aggregate of deficit and equity. The Company's capital management framework is designed to maintain a level of capital that funds the operations and business strategies and builds long-term shareholder value.

The Company's objective is to manage its capital structure in such a way as to diversify its funding sources, while minimizing its funding costs and risks. For 2020, Real expects to be able to satisfy all of its financing requirements through use of some or all of the following: cash on hand, cash generated by operations and through the public and private offerings of equity securities.

Other metrics

Earnings before interest, taxes, depreciation and amortization ("EBITDA")

For the year ended December 31,	**2020**	**2019**
Net loss and comprehensive loss	**(3,621)**	(2,251)
Add (deduct):		
– Taxes	**-**	-
– Interest	**140**	583
– Depreciation	**91**	137
EBITDA	**(3,390)**	(1,531)

Adjusted earnings before interest, taxes, depreciation and amortization ("EBITDA")

For the year ended December 31,	**2020**	**2019**
Net loss and comprehensive loss	**(3,621)**	(2,251)
Add (deduct):		
– Taxes	**-**	-
– Interest	**140**	583
– Depreciation	**91**	137
– Stock-based compensation	**1,138**	488
– Listing expenses	**459**	-
Adjusted EBITDA	**(1,793)**	(1,043)

Significant accounting policies and other explanatory information

The preparation of the Financial Statements requires management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses and the related disclosures as of the date of the Company's annual condensed consolidated financial statements. Actual results may differ from estimates under different assumptions and conditions.

Significant judgments include the timing of revenue recognition and consolidation adjustments. Our significant judgments have been reviewed and approved by the Audit Committee for completeness of disclosure on what management believes would be relevant and useful to investors in interpreting the amounts and disclosures in our annual condensed consolidated financial statements.

Changes in accounting policies

*Amendments to IAS 1, Presentation of Financial Statements ("**IAS 1**") and IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors ("**IAS 8**") – Definition of Material*

In October 2018, the IASB issued amendments to IAS 1 and IAS 8 to align the definition of "material" across the standards and to clarify certain aspects of the definition. The new definition states that, "Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." These amendments are effective January 1, 2020. The amendments to the definition of material and have not had a significant impact on the Company's Financial Statements.

Future changes in accounting policies

The Company monitors the potential changes proposed by the IASB and analyzes the effect that changes in the standards may have on the Company's operations. Standards issued but not yet effective up to the date of issuance of the Financial Statements are described below. This description is of the standards and interpretations issued that the Company reasonably expects to be applicable at a future date. The Company intends to adopt these standards when they become effective.

In January 2020 the IASB issued amendments to IAS 1 — Presentation of Financial Statements: Classification of Liabilities as Current or Non-Current to clarify how to classify debt and other liabilities as current or non-current, and in particular how to classify liabilities with an uncertain settlement rate and liabilities that may be settled by converting to equity. These amendments are effective on or after January 1, 2023. The Company does not expect any material impact from the adoption of these amendments.

In May 2020 the IASB issued Annual Improvements to IFRSs 2018 - 2020 Cycle. The improvements have amended four standards with effective date January 1, 2022: i) IFRS 1 — First-time Adoption of International Financial Reporting Standards in relation to allowing a subsidiary to measure cumulative translation differences using amounts reported by its parent, ii) IFRS 9 — Financial Instruments in relation to which fees an entity includes when applying the '10 percent' test for derecognition of financial liabilities, iii) IAS 41 — Agriculture in relation to the exclusion of taxation cash flows when measuring the fair value of a biological asset, and iv) IFRS 16 — Leases in relation to an illustrative example of reimbursement for leasehold improvements. The Company does not expect any material impact from the adoption of these amendments.

In August 2020 the IASB issued a package of amendments to IFRS 9 – Financial Instruments, IAS 39 – Financial Instruments: Recognition and Measurement, IFRS 7 – Financial Instruments: Disclosures, IFRS 4 – Insurance Contracts and IFRS 16 – Leases in response to the ongoing reform of inter-bank offered rates (IBOR) and other interest rate benchmarks. The amendments are aimed at helping companies to provide investors with useful information about the effects of the reform on those companies' financial statements. These amendments complement amendments issued in 2019 and focus on the effects on financial statements when a company replaces the old interest rate benchmark with an alternative benchmark rate as a result of the reform. The new amendments relate to:

•changes to contractual cash flows – a company will not be required to derecognize or adjust the carrying amount of financial instruments for changes required by the interest rate benchmark reform, but will instead update the effective interest rate to reflect the change to the alternative benchmark rate;
•hedge accounting – a company will not have to discontinue its hedge accounting solely because it makes changes required by the interest rate benchmark reform if the hedge meets other hedge accounting criteria; and
•disclosures – a company will be required to disclose information about new risks that arise from the interest rate benchmark reform and how the company manages the transition to alternative benchmark rates.

Future changes in accounting policies (cont'd)

These amendments are effective on or after January 1, 2021, with early adoption permitted.

In February 2021 the IASB issued amendments to IAS 1 — Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies which require companies to disclose their material accounting policy information rather than their significant accounting policies and provide guidance on how to apply the concept of materiality to accounting policy disclosures. These amendments are effective on or after January 1, 2023. The Company does not expect any material impact from the adoption of these amendments.

In February 2021 the IASB issued amendments to IAS 8 — Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates which clarify how companies should distinguish changes in accounting policies from changes in accounting estimates. These amendments are effective on or after January 1, 2023. The Company does not expect any material impact from the adoption of these amendments.

Disclosure controls and procedures and internal control over financial reporting

Disclosure controls and procedures

The CEO and CFO have designed or caused to design controls to provide reasonable assurance that: (i) material information relating to the Company is made known to management by others, particularly during the period in which the annual and interim filings are being prepared; and (ii) information required to be disclosed by the Company in its annual and interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time frame specified in the securities legislation.

Based on the evaluations, the CEO and CFO have concluded that the Company's disclosure controls and procedures were adequate and effective.

Internal control over financial reporting

Real has established internal controls over financial reporting to provide reasonable assurance regarding the reliability of the Company's financial reporting and the preparation of the Financial Statements for external purposes in accordance with IFRS. Management, including the Company's CEO and CFO, have determined that as at December 31, 2020 and 2019, the internal controls over financial reporting were effective.

Inherent limitations

It should be noted that in a control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Given the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues, including instances of fraud, if any, have been detected. These inherent limitations include, among other items: (i) that management's assumptions and judgments could ultimately prove to be incorrect under varying conditions and circumstances; (ii) the impact of any undetected errors; and (iii) controls may be circumvented by unauthorized acts of individuals, by collusion of two or more people, or by management override.

Disclosure controls and procedures and internal control over financial reporting (cont'd)

Key management compensation

The Company's key management personnel are comprised of the Board of Directors and current members of the executive team, the Chief Executive Officer, the Chief Financial Officer and the Chief Strategy Officer. Key management personnel compensation for the period consistent of the following:

	2020	2019
Salaries and benefits	843	429
Short-term employee benefits	6	8
Consultancy	44	19
Share-based payments	947	488
Compensation expenses related to Management	1,840	944

Executive officers participate in the Company's incentive program. Furthermore, real estate agents of the Company are entitled to participate in the incentive program if they meet certain eligibility criteria.

Market conditions and industry trends

General

Throughout the year ended December 31, 2020, home buyers leveraged decreasing interest rates to purchase homes at an increased level. The consensus amongst economists is that interest rates will remain under 4% during 2020, which is likely to support an increasing demand from home buyers.

Our performance during the beginning of the year was affected by the overall economic situation created by COVID-19 and the social distancing requirements that prevented many of our agents to serve their clients as they have done before. The economic uncertainty proved to add caution to the market. However, according to the National Association of Realtors ("**NAR**"), a robust turn around recognized in Q3 and Q4, resulted in existing-home sales at its highest level since 2006.

According to the NAR housing statistics, existing home sales rose to 5.64 million in 2020, up 5.6% from the prior year across all regions. Pending home sales increased as of December 2020 by 21.4% from a year ago. The impressive increase in pending home sales is encouraging as pending home sales are a forward-looking indicator of future home sales.

Inventory

Low mortgage rates fueling increased demand have been causing inventory shortages in many housing markets, creating a challenging environment for home buyers. According to the NAR, inventory of existing homes for sale in the U.S. was 1.07 million (preliminary) as of December 2020 (down 23% from one year ago) and represented in 1.9 months of supply. We believe that level of supply represents an extreme seller's market, making the high producing, listing focused teams that Real is attracting even more meaningful. Subsequently, NAR indicated the need for new home construction due to the high demand of homes and the record-low inventory levels.

Market conditions and industry trends (cont'd)

Mortgage rates

According to the NAR, mortgage rates on commitments for 30-year, conventional, fixed-rate mortgages averaged 2.72% for December 2020, compared to 3.78% for December of 2019. Some lenders have increased their rates to account for the risk and overall financial uncertainty. Low mortgage rates are pushing buyers into the market as well as driving an increase in refinance applications.

Risks and uncertainties

There are a number of risk factors that could cause future results to differ materially from those described herein. The risks and uncertainties described herein are not the only ones the Company faces. Additional risks and uncertainties, including those that the Company does not know about as of the date of this MD&A, or that it currently deems immaterial, may also adversely affect the Company's business. If any of the following risks actually occur, the Company's business may be harmed, and its financial condition and the results of operation may suffer significantly.

Limited operating history

Our limited operating history makes it difficult for potential investors to evaluate our business or prospective operations. As a young company, we are subject to all the risks inherent in a developing organization, financing, expenditures, complications and delays inherent in a new business. Investors should evaluate an investment in us in light of the uncertainties encountered by developing companies in a competitive and evolving environment. Our business is dependent upon the implementation of our business plan. We may not be successful in implementing such plan and cannot guarantee that, if implemented, we will ultimately be able to attain profitability.

Rapid Growth

Real may not be able to scale its business quickly enough to meet the growing needs of its affiliated real estate professionals and if Real is not able to grow efficiently, its operating results could be harmed. As Real adds new real estate professionals, Real will need to devote additional financial and human resources to improving its internal systems, integrating with third- party systems, and maintaining infrastructure performance. In addition, Real will need to appropriately scale its internal business systems and our services organization, including support of our affiliated real estate professionals as its demographics expand over time. Any failure of or delay in these efforts could cause impaired system performance and reduced real estate professional satisfaction. These issues could reduce the attractiveness of Real to existing real estate professionals who might leave Real and result in decreased attraction of new real estate professionals and reduced revenue and financial results.

Additional financing

From time to time, Real may need additional financing to operate or grow its business. The ability to continue as a going concern may be dependent upon raising additional capital from time-to-time to fund operations. Real's ability to obtain additional financing, if and when required, will depend on investor and lender willingness, its operating performance, the condition of the capital markets and other facts, and Real cannot assure anyone that additional financing will be available to it on favorable terms when required, or at all. If Real raises additional funds through the issuance of equity, equity-linked or debt securities, those securities may have rights, preferences or privileges senior to the rights of its current stock, and its existing stockholders may experience dilution. If Real is unable to obtain adequate financing or financing on terms satisfactory to it when it requires it, its ability to continue to support the operation or growth of its business could be significantly impaired and its operating results may be harmed.

Risks and uncertainties (cont'd)

Reliance on United States real estate market

Real's financial performance is closely tied to the strength of the residential real estate market in the United States, which is cyclical in nature and typically is affected by changes in conditions that are beyond Real's control. Macroeconomic conditions that could adversely impact the growth of the real estate market and have a material adverse effect on our business include, but are not limited to, economic slowdown or recession, increased unemployment, increased energy costs, reductions in the availability of credit or higher interest rates, increased costs of obtaining mortgages, an increase in foreclosure activity, inflation, disruptions in capital markets, declines in the stock market, adverse tax policies or changes in other regulations, lower consumer confidence, lower wage and salary levels, or the public perception that any of these events may occur. Unfavorable general economic conditions in the United States or other markets Real enters and operates within could negatively affect the affordability of, and consumer demand for, our services which could have a material adverse effect on our business and profitability. In addition, federal and state governments, agencies and government-sponsored entities could take actions that result in unforeseen consequences to the real estate market or that otherwise could negatively impact Real's business.

Regulation of United States real estate market

Real operates in the real estate industry which is a heavily regulated industry subject to complex, federal, state, provincial and local laws and regulations and third-party organizations' regulations, policies and bylaws. Generally, the laws, rules and regulations that apply to Real's business practices include, without limitation, the Real Estate Settlement Procedures Act ("**RESPA**") , the Fair Housing Act, the Dodd-Frank Act, and federal advertising and other laws, as well as comparable state statutes; rules of trade organizations such as NAR, local Multiple Listing Services, and state and local Associations of Realtors, licensing requirements and related obligations that could arise from our business practices relating to the provision of services other than real estate brokerage services; privacy regulations relating to our use of personal information collected from the registered users of our websites; laws relating to the use and publication of information through the Internet; and state real estate brokerage licensing requirements, as well as statutory due diligence, disclosure, record keeping and standard-of-care obligations relating to these licenses.

Additionally, the Dodd-Frank Act contains the Mortgage Reform and Anti-Predatory Lending Act ("**Mortgage Act**"), which imposes a number of additional requirements on lenders and servicers of residential mortgage loans, by amending certain existing provisions and adding new sections to RESPA and other federal laws. It also broadly prohibits unfair, deceptive or abusive acts or practices, and knowingly or recklessly providing substantial assistance to a covered person in violation of that prohibition. The penalties for noncompliance with these laws are also significantly increased by the Mortgage Act, which could lead to an increase in lawsuits against mortgage lenders and servicers.

Maintaining legal compliance is challenging and increases business costs due to resources required to continually monitor business practices for compliance with applicable laws, rules and regulations, and to monitor changes in the applicable laws themselves.

Risks and uncertainties (cont'd)

Regulation of United States real estate market (cont'd)

Real may not become aware of all the laws, rules and regulations that govern its business, or be able to comply with all of them, given the rate of regulatory changes, ambiguities in regulations, contradictions in regulations between jurisdictions, and the difficulties in achieving both company-wide and region-specific knowledge and compliance.

Success of the platform

Our business strategy is dependent on our ability to develop platforms and features to attract new businesses and users, while retaining existing ones. Staffing changes, changes in user behavior, changes in agent growth rate or development of competing platforms may cause users to switch to alternative platforms or decrease their use of our platform. There is no guarantee that agents will use these features and we may fail to generate revenue. Additionally, any of the following events may cause decreased use of our platform:

- emergence of competing platforms and applications with novel technologies;
- inability to convince potential agents to join our platform;
- technical issues or delays in releasing, updating or integrating certain platforms or in the cross-compatibility of multiple platforms;
- security breaches with respect to our data;
- a rise in safety or privacy concerns; and
- an increase in the level of spam or undesired content on the network.

Management team

We are highly dependent on our management team, specifically our Chief Executive Officer. If we lose key employees, our business may suffer. Furthermore, our future success will also depend in part on the continued service of our key management personnel and our ability to identify, hire, and retain additional personnel. We do not carry "key-man" life insurance on the lives of our executive officer, employees or advisors. We experience intense competition for qualified personnel and may be unable to attract and retain the personnel necessary for the development of our business. Because of this competition, our compensation costs may increase significantly.

Monetization of platform

There is no guarantee that our efforts to monetize the Real platform will be successful. Furthermore, our competitors may introduce more advanced technologies that deliver a greater value proposition to realtors in the future. All these factors individually or collectively may preclude us from effectively monetizing our business which would have a material adverse effect on our financial condition and results of operation.

Seasonality of operations

Seasons and weather traditionally impact the real estate industry in the jurisdictions where Real operates. Continuous poor weather or natural disasters negatively impact listings and sales. Spring and summer seasons historically reflect greater sales periods in comparison to fall and winter seasons. Real has historically experienced lower revenues during the fall and winter seasons, as well as during periods of unseasonable weather, which reduces Real's operating income, net income, operating margins and cash flow.

Risks and uncertainties (cont'd)

Seasonality of operations (cont'd)

Real estate listings precede sales and a period of poor listings activity will negatively impact revenue. Past performance in similar seasons or during similar weather events can provide no assurance of future or current performance, and macroeconomic shifts in the markets Real serves can conceal the impact of poor weather or seasonality.

Agent engagement

Our business model involves attracting real estate agents to our platform. There is no guarantee that growth strategies will bring new agents to our network. Changes in relationships with our partners, contractors and businesses we retain to grow our network may result in significant increases in the cost to acquire new agents. In addition, new agents may fail to engage with our network to the same extent current agents are engaging with our network resulting in decreased use of our network.

Decreases in the size of our agent base and/or decreased engagement on our network may impair our ability to generate revenue.

Managing growth

Successful implementation of our business strategy requires us to manage our growth. Growth could place an increasing strain on our management and financial resources. To manage growth effectively, we need to continuously: (i) evaluate definitive business strategies, goals and objectives; (ii) maintain a system of management controls; and (iii) attract and retain qualified personnel, as well as develop, train and manage management-level and other employees. If we fail to manage our growth effectively, our business, financial condition or operating results could be materially harmed.

Competition

We compete with both start-up and established technology companies and brokerages. Our competitors may have substantially greater financial, marketing and other resources than we do and may have been in business longer than we have or have greater name recognition and be better established in the technological or real estate markets than we are. If we are unable to compete successfully with other businesses in our existing market, we may not achieve our projected revenue and/or user targets which may have a material adverse effect on our financial condition.

Volatility

The market price of our Common Shares could fluctuate significantly in response to various factors and events, including, but not limited to: our ability to execute our business plan; operating results below expectations; announcements regarding regulatory developments with respect to the real estate industry; our issuance of additional securities, including debt or equity or a combination thereof, necessary to fund our operating expenses; announcements of technological innovations or new products by us or our competitors; and period-to-period fluctuations in our financial results. In addition, the securities markets have from time to time experienced significant price and volume fluctuations that are unrelated to the operating performance of particular companies. These market fluctuations may also materially and adversely affect the market price of our Common Shares.

Risks and uncertainties (cont'd)

Loss of investment

An investment in our securities is speculative and involves a high degree of risk. Potential investors should be aware that the value of an investment in the Company may go down as well as up. In addition, there can be no certainty that the market value of an investment in the Company will fully reflect its underlying value. Investors could lose their entire investment.
Because we can issue additional Common Shares, purchasers of our Common Shares may incur immediate dilution and experience further dilution.

As of the date of this MD&A, we are authorized to issue an unlimited number of Common Shares, of which **143,334** Common Shares are issued and outstanding. Our Board of Directors has the authority to cause us to issue additional Common Shares without consent of any of stockholders. Consequently, our stockholders may experience further dilution in their ownership of our stock in the future, which could have an adverse effect on the trading market for our Common Shares.

Furthermore, our Articles give our Board the right to create one or more new classes or series of shares. As a result, our Board may, without stockholder approval, issue shares of a new class or series with voting, dividend, conversion, liquidation or other rights that could adversely affect the voting power and equity interests of the holders of our Common Shares, as well as the price of our Common Shares.

Cyber security threats

A cyber incident is an intentional or unintentional event that could threatens the integrity, confidentiality or availability of the Company's information resources. These events include, but are not limited to, unauthorized access to information systems, a disruption to our information systems, or loss of confidential information. Real's primary risks that could result directly from the occurrence of a cyber incident include operational interruption, damage to our public image and reputation, and/or potentially impact the relationships with our customers.

We have implemented processes, procedures and controls to mitigate these risks, including, but not limited to, firewalls and antivirus programs and training and awareness programs on the risks of cyber incidents. These procedures and controls do not guarantee that the financial results may not be negatively impacted by such an incident.

Subsequent events

On January 11, 2021 Real completed the acquisition of the business assets and intellectual property of RealtyCrunch Inc. ("**RealtyCrunch**"). The transaction was settled in cash for an aggregate purchase price of USD $1.1 million plus 184,275 Common Share purchase warrants of Real. Each warrant is exercisable into one Common Share at a price of CAD $1.36 for a period of four years. In connection with this acquisition, Real also granted 2,440,773 stock options ("**Options**"), which vest over a 4 year period.

In connection with the RealtyCrunch transaction, Pritesh Damani joined Real as Chief Product Officer.

Outstanding Share Data

As of March 19, 2020, the Company had 143,334 Common Shares issued and outstanding.

If and when the holders of the preferred units and warrants issued upon the PIPE Transaction convert their preferred units into shares, the total shares outstanding will increase by 34,574.

In addition, as of March 19, 2021, there were 18,103 Options outstanding under the Stock Option Plan with exercises prices ranging from $0.10 to $1.76 CAD per share and expiry dates ranging from January 2026 to January 2031. Each Option is exercisable for one Common Share. A total of 378 restricted share units ("**RSUs**") were outstanding under the RSU Plan. Once vested, a total of 378 Common Shares will be issuable pursuant to the outstanding RSUs.

Additional information

These documents, as well as additional information regarding Real, have been filed electronically on Real's website at www.joinreal.com and under the Company's profile at www.sedar.com.

Form 52-109FV1
CERTIFICATION OF ANNUAL FILINGS
VENTURE ISSUER BASIC CERTIFICATE

I, Michelle Ressler, Chief Financial Officer of The Real Brokerage Inc., certify the following:

1. ***Review:*** I have reviewed the AIF, if any, annual financial statements and annual MD&A, including, for greater certainty, all documents and information that are incorporated by reference in the AIF (together, the "annual filings") of The Real Brokerage Inc. (the "issuer") for the financial year ended December 31, 2020.

2. ***No misrepresentations:*** Based on my knowledge, having exercised reasonable diligence, the annual filings 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, for the period covered by the annual filings.

3. ***Fair presentation:*** Based on my knowledge, having exercised reasonable diligence, the annual financial statements together with the other financial information included in the annual filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the annual filings.

Date: March 19, 2021

"Michelle Ressler"
Michelle Ressler
Chief Financial Officer

NOTE TO READER

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* (NI 52-109), this Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of

i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Form 52-109FV1
CERTIFICATION OF ANNUAL FILINGS
VENTURE ISSUER BASIC CERTIFICATE

I, Tamir Poleg, Chief Executive Officer of The Real Brokerage Inc., certify the following:

1. ***Review:*** I have reviewed the AIF, if any, annual financial statements and annual MD&A, including, for greater certainty, all documents and information that are incorporated by reference in the AIF (together, the "annual filings") of The Real Brokerage Inc. (the "issuer") for the financial year ended December 31, 2020.

2. ***No misrepresentations:*** Based on my knowledge, having exercised reasonable diligence, the annual filings 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, for the period covered by the annual filings.

3. ***Fair presentation:*** Based on my knowledge, having exercised reasonable diligence, the annual financial statements together with the other financial information included in the annual filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the annual filings.

Date: March 19, 2021

"Tamir Poleg"
Tamir Poleg
Chief Executive Officer

NOTE TO READER

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* (NI 52-109), this Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of

i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

The Real Brokerage Inc. Announces Fourth Quarter and Full Year 2020 Financial Results

NEWS PROVIDED BY
The Real Brokerage Inc.
Mar 19, 2021, 07:57 ET

Achieves 78% year over year revenue growth in Q4 to $7.1 million with annual 2020 revenue climbing to $16.6 million

TORONTO and NEW YORK, March 19, 2021 /PRNewswire/ -- The Real Brokerage Inc. (TSXV: REAX) (OTCQX: REAXF) ("Real"), a U.S. national, technology-powered real estate brokerage, announced its financial results for the three and twelve months ended December 31, 2020.

Additional information

Additional information concerning Real's audited annual financial statements and related management's discussion and analysis ("MD&A") for the three and twelve months ended December 31, 2020, can be found at www.sedar.com. Unless otherwise stated, all dollar amounts are in U.S. dollars.

Financial highlights

- Q4 2020 revenue of $7.1 million represented an 80% increase compared to Q3 2020 revenue of $3.9 million and a 78% increase compared to Q4 revenue 2019 of $3.9 million.
- Real's agent count grew to 1,475 agents at the end of 2020 up from 997 agents at the end of 2019.
- Of the new agents who joined Real in 2020, 79% of them joined in Q3 and Q4 following Real's go-public transaction.
- Annual revenue in 2020 increased 5% to $16.6 million, compared to $15.8 million in 2019. Real closed a $20 million equity investment by Insight Partners in December 2020.
- Total cash on hand equaled $21 million as of December 31, 2020, compared to $53 thousand at the end of 2019.
- As of December 31, 2020, Real offered real estate brokerage services in 22 U.S. states and the District of Columbia and had 25 full-time employees.

CEO comments

"Our strong fourth quarter revenue growth of 80% highlights the initial signs of the accelerated growth we have been experiencing following our go-public transaction in June 2020. We are thrilled to see that our platform, coupled with the financial opportunities we are creating for agents, are making an impact on our industry and helping in attracting an increasing number of agents to Real," said Tamir Poleg, CEO and co-founder of Real.

"Most importantly, our real estate brokerage platform and business model is ideally suited to meet the needs of next-generation real estate agents who are looking for additional financial opportunities, best-in-class technology and national footprint," Poleg said.

"As we move through 2021, we are continually investing in building our network of productive agents which will further translate into a larger closed transaction volume. In addition, we continue to focus on providing exceptional service to our agents and on developing proprietary technology for agents and their clients. These actions put us in a powerful position to aggressively expand our footprint and to capitalize on disruption in the $70+ billion residential real estate brokerage industry," Poleg said.

Recent Real highlights

- Top-producing real estate teams and agents who joined Real in the fourth quarter of 2020 and in January of 2021 had a closed volume of over $1 billion in home sales in the 12 months prior to joining Real.
- Real completed the acquisition of RealtyCrunch Inc., a collaboration web and mobile app for home buyers and real estate agents in January 2021. Pritesh Damani, the founder and CEO of RealtyCrunch and additional RealtyCrunch employees have joined Real as part of the acquisition, providing Real with a market-proven, agile real-estate technology product development team.
- Real expanded to Kansas, Ohio, Oklahoma, Utah, and Wisconsin in the fourth quarter of 2020 and in the first quarter 2021 to date.

About Real

Real (www.joinreal.com) is a technology-powered real estate brokerage operating in 26 U.S. states and the District of Columbia. Real is building the brokerage of the future, together with agents and their clients. Real creates financial opportunities for agents through better commission splits, best-in-class technology, revenue sharing and equity incentives.

Forward-looking Information

This press release contains forward-looking information within the meaning of applicable Canadian securities laws. Forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "expect", "likely" and "intend" and statements that an event or result "may", "will", "should", "could" or "might" occur or be achieved and other similar expressions. These statements reflect management's current beliefs and are based on information currently available to management as at the date hereof. Forward- looking information in this press release includes, without limiting the foregoing, information relating to the pace of Real's growth, continued investment in the acquisition and retention of agents, development and refinement of proprietary technology for agents and clients and expectations regarding the overall U.S. residential real estate market.

Forward-looking information is based on assumptions that may prove to be incorrect, including but not limited to Real's business objectives, expected growth, results of operations, performance, business projects and opportunities and financial results. Real considers these assumptions to be reasonable in the circumstances. However, forward-looking information is subject to known and unknown risks, uncertainties and other factors that could cause actual results, performance or achievements to differ materially from those expressed or implied in the forward-looking information. These factors should be carefully considered and readers should not place undue reliance on the forward-looking statements. Although the forward-looking statements contained in this press release are based upon what management believes to be reasonable assumptions, Real cannot assure readers that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this press release, and Real assumes no obligation to update or revise them to reflect new events or circumstances, except as required by law.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release, and the OTCQX has neither approved nor disapproved the contents of this press release.

Contact:
Lynda Radosevich
lynda@therealbrokerage.com

SOURCE The Real Brokerage Inc.

THE REAL BROKERAGE INC.

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

TUESDAY, APRIL 20, 2021

TAKE NOTICE THAT an annual general meeting (the "**Meeting**") of the shareholders of The Real Brokerage Inc. (the "**Company**") will be held at 133 Richmond Street West, Suite 302, Toronto, Ontario on Tuesday, April 20, 2021 at 10:00 a.m. (Toronto time) for the following purposes:

1. to receive the audited financial statements of the Company for the year end dated December 31, 2020 and the accompanying report of the auditors;

2. to fix the number of directors of the Company at six (6);

3. to elect the directors of the Company to serve until the close of the next annual general meeting of shareholders of the Company or until their successors are elected or appointed;

4. to appoint auditors of the Company for the ensuing year, as more fully described in the management information circular (the "**Management Information Circular**") accompanying this Notice; and

5. to transact such other business as may be properly brought before the Meeting or any postponement or adjournment thereof.

Information relating to the items above is set forth in the Management Information Circular.

Only shareholders of record as of March 16, 2021, the record date, are entitled to notice of the Meeting and to vote at the Meeting and at any adjournment or postponement thereof.

With respect to the current COVID-19 outbreak, Real asks that, in considering whether to attend the meeting in person, shareholders follow the instructions of the Public Health Agency of Canada (https://www.canada.ca/en/public-health/services/diseases/2019-novel-coronavirus-infection.html)

Real strongly encourages shareholders not to attend the Meeting in person and instead to vote their shares by proxy. Any person who is experiencing any of the described COVID-19 symptoms of fever, cough or difficulty breathing or has travelled in the 14 days prior to the Meeting will not be permitted entry into the Meeting. Real may take additional precautionary measures in relation to the Meeting in response to further developments in the COVID-19 outbreak in its sole discretion.

SHAREHOLDERS MAY CONFERENCE INTO THE MEETING BY ZOOM (BUT WILL NOT BE PERMITTED TO VOTE OVER ZOOM IN THIS MANNER) AT:

https://gowlingwlgca.zoom.us/j/93075274865?pwd=aGhITXViaFZEbEhGZWx2NVhqNktkZz09

Meeting ID: 930 7527 4865

Password: 459939

or join by phone by calling one of the below numbers and entering the meeting ID.

Canada: +1 855 703 8985

United States: +1 877 853 5247

Additional international numbers are available at **https://gowlingwlgca.zoom.us/u/acT7qVv117**

DISCLAIMER

ANY PERSON WHO ATTENDS THE MEETING IN PERSON DOES SO AT HIS OR HER OWN RISK AND BY ATTENDING THE MEETING IN PERSON, SUCH PERSON ACKNOWLEDGES AND AGREES THAT THE COMPANY AND THE DIRECTORS, OFFICERS AND AGENTS THEREOF ARE NOT LIABLE TO THE PERSON FOR ANY ILLNESSES OR OTHER ADVERSE REACTIONS THAT MAY RESULT FROM SUCH PERSON'S ATTENDANCE AT THE MEETING. ANY PERSON WHO ATTEMPTS TO ENTER THE MEETING BUT IS DENIED ENTRY ACKNOWLEDGES AND AGREES THAT HE, SHE OR IT SHALL HAVE NO CLAIM AGAINST THE COMPANY OR ITS DIRECTORS, OFFICERS OR AGENTS FOR SUCH DENIAL OF ENTRY INTO THE MEETING.

Despite the foregoing, it is desirable that as many common shares of the Company (the "**Common Shares**") as possible be represented at the Meeting. If you do not expect to attend in person and would like your Common Shares represented, please complete the enclosed form of proxy (the "**Instrument of Proxy**") and return it as soon as possible in the envelope provided for that purpose. To be valid, all Instruments of Proxy must be deposited at the office of the Registrar and Transfer Agent of the Company, Computershare Investor Services Inc., at its principal office at 100 University Ave, Toronto, Ontario M5J 2Y1 not later than forty-eight (48) hours, excluding Saturdays, Sundays and holidays, prior to the time of the Meeting or any postponement or adjournment thereof. Late Instruments of Proxy may be accepted or rejected by the Chairman of the Meeting in his discretion and the Chairman is under no obligation to accept or reject any particular late Instruments of Proxy.

DATED at Toronto, Ontario this 17th day of March, 2021.

By Order of the Board of Directors of The Real Brokerage Inc.

(signed) "Tamir Poleg"

Tamir Poleg
Chief Executive Officer

THE REAL BROKERAGE INC.

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS TO BE HELD ON APRIL 20, 2021

AND

MANAGEMENT INFORMATION CIRCULAR

DATED MARCH 17, 2021

THE REAL BROKERAGE INC.

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

TUESDAY, APRIL 20, 2021

TAKE NOTICE THAT an annual general meeting (the "**Meeting**") of the shareholders of The Real Brokerage Inc. (the "**Company**") will be held at 133 Richmond Street West, Suite 302, Toronto, Ontario on Tuesday, April 20, 2021 at 10:00 a.m. (Toronto time) for the following purposes:

1. to receive the audited financial statements of the Company for the year end dated December 31, 2020 and the accompanying report of the auditors;

2. to fix the number of directors of the Company at six (6);

3. to elect the directors of the Company to serve until the close of the next annual general meeting of shareholders of the Company or until their successors are elected or appointed;

4. to appoint auditors of the Company for the ensuing year, as more fully described in the management information circular (the "**Management Information Circular**") accompanying this Notice; and

5. to transact such other business as may be properly brought before the Meeting or any postponement or adjournment thereof.

Information relating to the items above is set forth in the Management Information Circular.

Only shareholders of record as of March 16, 2021, the record date, are entitled to notice of the Meeting and to vote at the Meeting and at any adjournment or postponement thereof.

With respect to the current COVID-19 outbreak, Real asks that, in considering whether to attend the meeting in person, shareholders follow the instructions of the Public Health Agency of Canada (https://www.canada.ca/en/public-health/services/diseases/2019-novel-coronavirus-infection.html)

Real strongly encourages shareholders not to attend the Meeting in person and instead to vote their shares by proxy. Any person who is experiencing any of the described COVID-19 symptoms of fever, cough or difficulty breathing or has travelled in the 14 days prior to the Meeting will not be permitted entry into the Meeting. Real may take additional precautionary measures in relation to the Meeting in response to further developments in the COVID-19 outbreak in its sole discretion.

SHAREHOLDERS MAY CONFERENCE INTO THE MEETING BY ZOOM (BUT WILL NOT BE PERMITTED TO VOTE OVER ZOOM IN THIS MANNER) AT:

https://gowlingwlgca.zoom.us/j/93075274865?pwd=aGhITXViaFZEbEhGZWx2NVhqNktkZz09

Meeting ID: 930 7527 4865

Password: 459939

or join by phone by calling one of the below numbers and entering the meeting ID.

Canada: +1 855 703 8985

United States: +1 877 853 5247

Additional international numbers are available at https://gowlingwlgca.zoom.us/u/acT7qVv117

DISCLAIMER

ANY PERSON WHO ATTENDS THE MEETING IN PERSON DOES SO AT HIS OR HER OWN RISK AND BY ATTENDING THE MEETING IN PERSON, SUCH PERSON ACKNOWLEDGES AND AGREES THAT THE COMPANY AND THE DIRECTORS, OFFICERS AND AGENTS THEREOF ARE NOT LIABLE TO THE PERSON FOR ANY ILLNESSES OR OTHER ADVERSE REACTIONS THAT MAY RESULT FROM SUCH PERSON'S ATTENDANCE AT THE MEETING. ANY PERSON WHO ATTEMPTS TO ENTER THE MEETING BUT IS DENIED ENTRY ACKNOWLEDGES AND AGREES THAT HE, SHE OR IT SHALL HAVE NO CLAIM AGAINST THE COMPANY OR ITS DIRECTORS, OFFICERS OR AGENTS FOR SUCH DENIAL OF ENTRY INTO THE MEETING.

Despite the foregoing, it is desirable that as many common shares of the Company (the "**Common Shares**") as possible be represented at the Meeting. If you do not expect to attend in person and would like your Common Shares represented, please complete the enclosed form of proxy (the "**Instrument of Proxy**") and return it as soon as possible in the envelope provided for that purpose. To be valid, all Instruments of Proxy must be deposited at the office of the Registrar and Transfer Agent of the Company, Computershare Investor Services Inc., at its principal office at 100 University Ave, Toronto, Ontario M5J 2Y1 not later than forty-eight (48) hours, excluding Saturdays, Sundays and holidays, prior to the time of the Meeting or any postponement or adjournment thereof. Late Instruments of Proxy may be accepted or rejected by the Chairman of the Meeting in his discretion and the Chairman is under no obligation to accept or reject any particular late Instruments of Proxy.

DATED at Toronto, Ontario this 17th day of March, 2021.

By Order of the Board of Directors of The Real Brokerage Inc.

(signed) "*Tamir Poleg*"
Tamir Poleg
Chief Executive Officer

GLOSSARY OF DEFINED TERMS

The following is a glossary of certain terms used in this Circular. Words below importing the singular, where the context requires, include the plural and vice versa, and words importing any gender include all genders. All dollar amounts herein are in Canadian dollars, unless otherwise stated.

"**Audit Committee**" means the audit committee of the Board of the Company.

"**Beneficial Ownership Requirement**" has the meaning giving to it in the Investor Rights Agreement.

"**Board**" means the board of directors of the Company.

"Circular" or "Management Information Circular" means this management information circular of the Company dated March 17, 2021 and all documents attached to or incorporated by reference into the Circular.

"**Committee**" means a committee of the Board to which responsibility of the RSU Plan have been delegated, or if no such committee is appointed, the Board itself.

"**Common Shares**" or "**Shares**" means the common shares in the authorized share structure of the Company.

"**Company**" or "**Corporation**" means The Real Brokerage Inc.

"**Compensation Committee**" means the compensation committee of the Board of the Company.

"**Exchange**" or "**TSXV**" means the TSX Venture Exchange.

"**Insider**" means insider as defined in the Policies of the TSXV, the *Securities Act* (British Columbia), RSBC 1996, c.418, or other securities legislation applicable to the Company.

"**Insight Partners**" means certain funds affiliated with Insight Holdings Group, LLC, in particular Insight Partners XI, L.P.; Insight Partners (Cayman) XI, L.P.; Insight Partners XI (Co-Investors), L.P.; Insight Partners XI (Co-Investors) (B), L.P.; Insight Partners (Delaware) XI, L.P.; and Insight Partners (EU) XI, S.C.Sp.

"**Investor Director Designee**" means the appointed director to the Board by Insight Partners pursuant to the Investor Rights Agreement.

"**Investor Rights Agreement**" means the agreement between the Company, REAL PIPE, LLC and Insight Partners dated December 2, 2020.

"**Meeting"** means the annual meeting of the Shareholders of the Company on April 20, 2021 and any adjournment or postponement thereof.

"**NEOs**" or "**Named Executive Officers**" has the meaning given to it under *Executive Compensation.*

"**NI 51-102**" means National Instrument 51-102 - *Continuous Disclosure Obligations.*

"**NI 52-110**" means National Instrument 52-110 - *Audit Committees.*

*"**NI 58-101**" means National Instrument 58-101 – Disclosure of Corporate Governance Practices.*

"**Notice**" means the notice of annual general meeting of Shareholders.

"**Option**" means stock options of the Company issued under the Company's Stock Option Plan.

"**Participant**" means an eligible employee, director, or consultant of the Company or a subsidiary (or in the case of a consultant, also of a related entity) to whom RSUs are granted under the RSU Plan.

"**Qualifying Transaction**" means the transaction whereby the Company completed a reverse takeover of Real Technology Broker Ltd. pursuant to Exchange Policy 2.2 - Capital Pool Companies.

"**REAL PIPE, LLC"** means the Company's subsidiary, a Delaware Limited Liability Company.

"**Record Date**" means March 16, 2021.

"**RSU Plan**" means the restricted share unit plan of the Company as approved by the Shareholders at the Company's annual general and special meeting held on August 20, 2020.

"**RSUs**" mean restricted share units issuable under the RSU Plan.

"Securities Based Compensation Arrangement" or "Securities Based Compensation Arrangements" means the Company's Stock Option Plan and RSU Plan.

"**Shareholders**" means the holders of the Common Shares.

"**Stock Option Plan**" means the Stock Option Plan of the Company as approved by the Board and as ratified by the Shareholders at the annual and special general meeting of Shareholders held on August 20, 2020.

THE REAL BROKERAGE INC.

MANAGEMENT INFORMATION CIRCULAR

SOLICITATION OF PROXIES

This management information circular (this "**Management Information Circular**") is provided in connection with the solicitation of proxies by management of The Real Brokerage Inc. ("**Real**" or the "**Company**") for use at the Annual General Meeting (the "**Meeting**") of the holders ("**Shareholders**") of common shares ("**Common Shares**") in the authorized share structure of the Company. The Meeting will be held on Tuesday, April 20, 2021 at 10:00 a.m. (Toronto time) at 133 Richmond Street West, Suite 302, Toronto, Ontario, or at such other time or place to which the Meeting may be adjourned, for the purposes set forth in the notice of annual general meeting (the "**Notice**") accompanying this Management Information Circular.

Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally or by telephone, facsimile or other means of electronic communication. In accordance with National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*, arrangements have been made with brokerage houses and other intermediaries, clearing agencies, custodians, nominees and fiduciaries to forward solicitation materials to the beneficial owners of the Common Shares held of record by such persons and the Company may reimburse such persons for reasonable fees and disbursements incurred by them in doing so. The costs thereof will be borne by the Company.

These securityholder materials are being sent to both registered and non-registered owners of the Common Shares. If you are a non-registered owner, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings or securities, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf.

Accompanying this Management Information Circular (and filed with applicable securities regulatory authorities) is a form of proxy ("**Instrument of Proxy**") for use at the Meeting. Each Shareholder who is entitled to attend at Shareholders' meetings is encouraged to participate in the Meeting and Shareholders are urged to vote on matters to be considered in person or by proxy.

Unless otherwise stated, the information contained in this Management Information Circular is given as of March 17, 2021 (the "**Effective Date**").

All time references in this Management Information Circular are in Eastern Daylight Time (Toronto time).

APPOINTMENT AND REVOCATION OF PROXIES

Appointment of a Proxy

Those Shareholders who wish to be represented at the Meeting by proxy must complete and deliver a proper Instrument of Proxy to Computershare Investor Services Inc. (the "Transfer Agent") either in person, or by mail or courier, to 100 University Ave., Toronto, Ontario, M5J 2Y1.

The persons named as proxyholders in the Instrument of Proxy accompanying this Management Information Circular are directors or officers of the Company and are representatives of the Company's management for the Meeting. A Shareholder who wishes to appoint some other person (who need not be a Shareholder) as his, her or its representative at the Meeting may do so by either: (i) crossing out the names of the management nominees AND legibly printing the other person's name in the blank space provided in the accompanying Instrument of Proxy; or (ii) completing another valid Instrument of Proxy. In either case, the completed Instrument of Proxy must be delivered to the Transfer Agent, at the place and within the time specified herein for the deposit of proxies. A Shareholder who appoints a proxy who is someone other than the management representatives named in the Instrument of Proxy should notify the nominee of the appointment, obtain the nominee's consent to act as proxy, and provide instructions on how the Common Shares are to be voted. The nominee should bring personal identification to the Meeting. In any case, the Instrument of Proxy should be dated and executed by the Shareholder or an attorney authorized in writing, with proof of such authorization attached (where an attorney executed the Instrument of Proxy).

In order to validly appoint a proxy, Instruments of Proxy must be received by the Transfer Agent (the address is stated above or in the Instrument of Proxy) at least 48 hours prior to the Meeting or any adjournment or postponement thereof. After such time, the chairman of the Meeting may accept or reject an Instrument of Proxy delivered to him in his discretion but is under no obligation to accept or reject any particular late Instrument of Proxy.

Revoking a Proxy

A Shareholder who has validly given a proxy may revoke it for any matter upon which a vote has not already been cast by the proxyholder appointed therein. In addition to revocation in any other manner permitted by law, a proxy may be revoked with an instrument in writing signed and delivered to either the registered office of the Company or the Transfer Agent, 100 University Ave, Toronto, Ontario M5J 2Y1, at any time up to and including the last business day preceding the date of the Meeting, or any postponement or adjournment thereof at which the Instrument of Proxy is to be used, or deposited with the chairman of such Meeting on the day of the Meeting, or any postponement or adjournment thereof. The document used to revoke a proxy must be in writing and completed and signed by the Shareholder or his or her attorney authorized in writing or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized.

Also, a Shareholder who has given a proxy may attend the Meeting in person (or where the Shareholder is a corporation, its authorized representative may attend), revoke the proxy (by indicating such intention to the chairman before the proxy is exercised) and vote in person (or withhold from voting).

Signature on Proxies

The Instrument of Proxy must be executed by the Shareholder or his or her duly appointed attorney authorized in writing or, if the Shareholder is a corporation, by a duly authorized officer whose title must be indicated. A Instrument of Proxy signed by a person acting as attorney or in some other representative capacity should indicate that person's capacity (following his or her signature) and should be accompanied by the appropriate instrument evidencing qualification and authority to act (unless such instrument has been previously filed with the Company).

Voting of Proxies

Each Shareholder may instruct their proxy how to vote his or her Common Shares by completing the blanks on the Instrument of Proxy.

The Common Shares represented by the enclosed Instrument of Proxy will be voted or withheld from voting on any motion, by ballot or otherwise, in accordance with any indicated instructions. In the absence of such direction, such Common Shares will be voted IN FAVOUR OF PASSING THE RESOLUTIONS DESCRIBED IN THE INSTRUMENT OF PROXY AND BELOW. If any amendment or variation to the matters identified in the Notice is proposed at the Meeting or any adjournment or postponement thereof, or if any other matters properly come before the Meeting or any adjournment or postponement thereof, the accompanying Instrument of Proxy confers discretionary authority to vote on such amendments or variations or such other matters according to the best judgment of the appointed proxyholder. Unless otherwise stated, the Common Shares represented by a valid Instrument of Proxy will be voted in favour of the election of nominees set forth in this Management Information Circular except where a vacancy among such nominees occurs prior to the Meeting, in which case, such Common Shares may be voted in favour of another nominee in the proxyholder's discretion. As at the Effective Date, management of the Company knows of no such amendments or variations or other matters to come before the Meeting.

Advice to Beneficial Shareholders

The information set forth in this section is of importance to many Shareholders, as a substantial number of Shareholders do not hold Common Shares in their own name. Shareholders who hold their Common Shares through their brokers, intermediaries, trustees or other persons, or who otherwise do not hold their Common Shares in their own name (referred to in this Management Information Circular as "**Beneficial Shareholders**") should note that only proxies deposited by Shareholders who are registered Shareholders (that is, Shareholders whose names appear on the records maintained by the registrar and Transfer Agent for the Common Shares as registered holders of Common Shares) will be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Beneficial Shareholder by a broker, those Common Shares will, in all likelihood, not be registered in the Shareholder's name. Such Common Shares will more likely be registered under the name of the Shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). Common Shares held by brokers (or their agents or nominees) on behalf of a broker's client can only be voted at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker's clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.**

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of Shareholders' meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. The voting instruction form supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the Instrument of Proxy provided directly to registered Shareholders by the Company. However, its purpose is limited to instructing the registered Shareholder (i.e., the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The vast majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**BFS**") in Canada. BFS typically prepares a machine-readable voting instruction form, mails those forms to Beneficial Shareholders and asks Beneficial Shareholders to return the forms to BFS, or otherwise communicate voting instructions to BFS (by way of the Internet or telephone, for example). BFS then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. **A Beneficial Shareholder who receives a BFS voting instruction form cannot use that form to vote Common Shares directly at the Meeting. The voting instruction forms must be returned to BFS (or instructions respecting the voting of Common Shares must otherwise be communicated to BFS) well in advance of the Meeting in order to have the Common Shares voted. If you have any questions respecting the voting of Common Shares held through a broker or other intermediary, please contact that broker or other intermediary for assistance.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of their broker, CDS & Co. or another intermediary, the Beneficial Shareholder may attend the Meeting as proxyholder and vote the Common Shares in that capacity. **Beneficial Shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxyholder, should enter their own names in the blank space on the voting instruction form provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker.**

All references to Shareholders in this Management Information Circular and the accompanying Instrument of Proxy and Notice are to registered Shareholders unless specifically stated otherwise.

VOTING SHARES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

Shareholders of record as of March 16, 2021 (the "**Record Date**") are entitled to receive notice and attend and vote at the Meeting. As at the Record Date, the Company had 143,334,243 issued and outstanding Common Shares. The Common Shares are the only voting shares of the Company.

To the knowledge of the directors and officers of the Company, as at the Record Date, no person or corporation beneficially owns, directly or indirectly, or exercises control or direction over, more than 10% of the issued and outstanding Common Shares except as stated below.

Name	Aggregate Number of Common Shares	Percentage of Outstanding Common Shares
Magma Venture Capital IV Management LP	24,498,927[(1)]	17.09%
Guy Gamzu	17,920,830[(2)]	12.50%

Notes:

(1) Comprised of 23,827,154 Common Shares held by Magma Venture Capital IV LP and 671,773 Common Shares held by Magma Venture Capital IV CEO Fund LP, limited partnerships of which Magma Venture Capital IV Management LP is the general partner.

(2) Comprised of 16,660,455 Common Shares held by Cubit Investments Ltd., a company beneficially owned by Mr. Gamzu and 1,260,375 Common Shares held by Mr. Gamzu personally.

INDEBTEDNESS OF DIRECTORS AND OFFICERS

No directors or officers of the Company, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of any one of them, is or was indebted, directly or indirectly, to the Company or its subsidiaries at any time since the beginning of the financial period ended December 31, 2020.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No director or officer of the Company, nor any proposed nominee for election as a director of the Company, nor any other Insider of the Company, nor any associate or affiliate of any one of them, has or has had, at any time since the beginning of the financial period ended December 31, 2020, any material interest, direct or indirect, in any transaction or proposed transaction that has materially affected or would materially affect the Company.

INTEREST OF DIRECTORS AND OFFICERS IN MATTERS TO BE ACTED UPON

Except as disclosed in this Management Information Circular, no director or senior officer of the Company, nor any proposed nominee for election as a director of the Company, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting.

EXECUTIVE COMPENSATION

Under applicable securities legislation, the Company is required to disclose certain financial and other information relating to the compensation of the Chief Executive Officer, the Chief Financial Officer and the most highly compensated executive officer of the Company as at the date of this Circular whose total compensation was more than $150,000 for the financial year of the Company ended December 31, 2020, other than the Chief Executive Officer and Chief Financial Officer (collectively the "**Named Executive Officers**"), and for the directors of the Company.

Summary Compensation Table

The following table (presented in accordance with Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers* ("**Form 51-102F6V**") under National Instrument 51-102 – *Continuous Disclosure Obligations*) ("**NI 51-102**") sets out all direct and indirect compensation for, or in connection with, services provided to the Company and its subsidiaries for the two most recently completed financial years of the Company ended December 31, 2020 and December 31, 2019, in respect of the Named Executive Officers as well as the directors of the Company.

Table of compensation excluding compensation securities[1]							
Name and position	**Year**	**Salary, consulting fee, retainer, or commission ($)**	**Bonus ($)**	**Committee or meeting fees ($)**	**Value of perquisites ($)**	**Value of all other compensation ($)**	**Total compensation ($)**
Tamir Poleg *CEO and Director*	2020 2019	175,000 Nil	81,572 Nil	Nil Nil	Nil Nil	Nil Nil	256,572 Nil
Michelle Ressler *CFO*	2020 2019	68,889 Nil	15,000 Nil	Nil Nil	Nil Nil	Nil Nil	83,889 Nil
Guy Gamzu *Director*	2020 2019	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Larry Klane *Director*	2020 2019	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Atul Malhotra Jr. *Director*[2]	2020	Nil	Nil	Nil	Nil	Nil	Nil
Laurence Rose *Past CEO, and Director*[3]	2020 2019	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Philip Porat *Past CFO*[4]	2020 2019	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Daniel Goodman *Past Director*[5]	2020 2019	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
Alan Simpson *Past Director*[6]	2020 2019	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil

Notes:

(1) The amounts reported in this table are in United States dollars, the currency used in the Company's financial statements.

(2) Atul Malhotra Jr. serves as the Investor Director Designee of Insight Partners in connection with the Investor Rights Agreement and was appointed to the Board on December 2, 2020.

(3) Laurence Rose served as CEO of the Company until completion of the Qualifying Transaction on June 5, 2020. Mr. Rose remained as a director of the Company after the Qualifying Transaction but did not receive any monetary compensation as a director.

(4) Philip Porat served as CFO of the Company until completion of the Qualifying Transaction on June 5, 2020.

(5) Daniel Goodman was a director prior to the Qualifying Transaction completed on June 5, 2020.

(6) Alan Simpson was a director prior to the Qualifying Transaction completed on June 5, 2020.

Stock Options and Other Compensation Securities

There were 8,725,287 Options and no RSUs granted or issued to directors of the Company during the financial year ended December 31, 2020 for services provided or to be provided, directly or indirectly, to the Company.

The following table (presented in accordance with Form 51-102F6V) sets forth for each director and NEO all awards outstanding at the end of the most recently completed financial year, including awards granted before the most recently completed financial year.

Name and Position	Type of Compensation	Compensation Securities (#)	Date of Grant	Issue, Conversion or Exercise Price ($)	Closing Price per Security on Date of Grant ($)	Closing price of Security or Underlying Security at Year End ($)	Expiry Date
Tamir Poleg *CEO and Director*	Options	3,552,735	7/26/2019	0.0251 USD	Nil	1.18 CAD	1/20/2026
	Options	280,638	6/17/2020	0.0765 USD	0.060 CAD	1.18 CAD	4/18/2028
	Options	4,000,000	6/17/2020	0.027 CAD	0.060 CAD	1.18 CAD	6/17/2030
Michelle Ressler *CFO*	Options	120,000	8/24/2020	0.095 CAD	0.095 CAD	1.18 CAD	8/24/2030
Guy Gamzu *Director*	Options	280,637	6/05/2020	0.0765 USD	0.060 CAD	1.18 CAD	4/18/2028
Larry Klane *Director*	Options	280,637	6/05/2020	0.0765 USD	0.060 CAD	1.18 CAD	4/18/2028
Atul Malhotra Jr. *Director*	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Laurence Rose *Past CEO and Director*	Options	280,637	6/05/2020	0.0765 USD	0.060 CAD	1.18 CAD	4/18/2028

The following table (presented in accordance with Form 51-102F6V) sets forth for each director and NEO all awards exercised at the end of the most recently completed financial year, including awards granted before the most recently completed financial year.

Name and Position	Type of Compensation Security	Securities Acquired on Exercise (#)	Exercise Price Per Security ($)	Date of Exercise	Closing Price per Security on Date of Exercise ($)	Difference Between Exercise Price and Closing Price on Date of Exercise ($)	Total Value on Exercise Date ($)
Laurence Rose *Past CEO, and Director*	Options	225,000	0.10	06//23/2020	0.55	0.45	101,250

Stock Option Plans and Restricted Share Unit Plan

The Stock Option Plan and RSU Plan comprises the Company's only forms of security-based incentive compensation plans.

Stock Option Plan

The Company's Stock Option Plan is a "fixed" stock option plan under the policies of the TSXV and the Company is authorized to grant Options of up to 20% of its issued and outstanding Common Shares at the date the Stock Option Plan was approved by its Shareholders. The Stock Option Plan was approved by the Shareholders at the Company's annual general and special meeting held on August 20, 2020.

The purpose of the Stock Option Plan is to advance the interests of the Company by encouraging the directors, officers, employees and consultants of the Company to acquire Common Shares, thereby increasing their proprietary interest in the Company and furnishing them with additional incentive in their efforts on behalf of the Company in the conduct of its business and affairs.

Under the terms of the Stock Option Plan, a maximum of 28,267,516 Common Shares (representing approximately 20% of the issued and outstanding Common Shares as at August 20, 2020) are reserved for issuance. Under the Stock Option Plan, as Options are granted, the number of Options available for future grants is reduced by an amount equal to the number of Options granted. As of the date of this Circular, 9,464,091 Common Shares remain available for issuance under the Stock Option Plan, taking into account all Security Based Compensation Arrangements.

Management noted that the utilization of Options has been and will continue to be an important factor in attracting and keeping superior quality personnel. Management believes that, at this stage of the Company's growth and development, it is imperative that the Company have sufficient flexibility in its incentive arrangements to permit it to compete with other entities in its industry which utilize share incentive options in hiring and retaining key personnel.

The following is a summary of the principal terms of the Stock Option Plan and is qualified in its entirety by the full text of the Stock Option Plan which is set out in Schedule "C" to the Management Information Circular of the Company dated July 16, 2020. The Stock Option Plan is administered by the Board, which has full and final authority with respect to the granting of all Options thereunder subject to the requirements of the TSXV. Options may be granted under the Stock Option Plan to such directors, officers, employees or consultants of the Company and its affiliates, if any, as the Board may from time to time designate. Under the policies of the TSXV, Options granted under such a fixed plan are not required to have a vesting period, although the directors may continue to grant Options with vesting periods, as the circumstances require. The Stock Option Plan authorizes the Board to grant Options to the optionees (the "**Optionee**") on the following terms (capitalized terms not defined herein have the meaning ascribed to them in the Stock Option Plan):

- If Options expire or otherwise terminate for any reason without having been exercised, the number of Common Shares in respect of the expired or terminated Options will again be available for the purposes of the Stock Option Plan.
- The Stock Option Plan may be terminated by the Board at any time, but such termination will not alter the terms or conditions of any Options awarded prior to the date of such termination. Any Options outstanding when the Stock Option Plan is terminated will remain in effect until they are exercised or expire or are otherwise terminated in accordance with the provisions of the Stock Option Plan.

- The Stock Option Plan provides that it is solely within the discretion of the Board to determine who should receive Options and in what amounts. The Board may issue a majority of the Options to Insiders of the Company. However, in no case will the issuance of Common Shares upon the exercise of Options granted under the Stock Option Plan result in:

    i. The total number of Options awarded to any one individual in any twelve month period shall not exceed 5% of the issued and outstanding Shares of the Company at the Award Date (unless the Company has obtained disinterested Shareholder approval);

    ii. The total number of Options awarded to any one Consultant for the Company shall not exceed 2% of the issued and outstanding Shares of the Company at the Award Date without consent being obtained from the Exchange; and

    iii. The total number of Options awarded to all persons employed by the Company who perform Investor Relations Activities for the Company shall not exceed 2% of the issued and outstanding Shares of the Company, in any twelve month period, calculated at the Award Date without consent being obtained from the Exchange.

Options granted under the Option Plan will be for a term so fixed by the Board at the time the Option is awarded, provided that such date shall not exceed ten (10) years from the date of its grant. Unless the Company otherwise decides, in the event an Option Holder ceases to be a consultant or employee of the Company (other than by reason of death), vested Options will expire on the 90th day following the date the holder ceases to be an Employee (or on the 30th day in the case of an Optionee who is engaged in investor relations activities). In the case that the Option Holder ceases to be such as a result of termination for cause, the Expiry Date shall be the date the Option Holder ceases to be an Employee of the Company.

The Exercise Price shall be that price per Common Share, as determined by the Board in its sole discretion, and announced as of the Award Date, at which an Option Holder may purchase a Share upon the exercise of an Option, provided that it shall not be less than the closing price of the Company's Shares traded through the facilities of the Exchange (or, if the Shares are no longer listed for trading on the Exchange, then such other exchange or quotation system on which the Common Shares are listed or quoted for trading) on the day preceding the Award Date, less any discount permitted by the Exchange, or such other price as may be required or permitted by the Exchange.

In no case will an Option be exercisable at a price less than the minimum prescribed by each of the organized trading facilities or the applicable regulatory authorities that would apply to the award of the Option in question.

Options may not be assigned or transferred, and all Option Certificates will be so legended, provided however that the Personal Representatives of an Option Holder may exercise the Option within the Exercise Period. Common Shares will not be issued pursuant to Options granted under the Stock Option Plan until they have been fully paid for.

Upon a Change of Control (as that term is defined in the Option Plan), the Board may require that an Option granted under the Stock Option Plan may be exercised (whether or not such Option as vested) by the Optionee at any time up to an including the expiry time of the Option and the Board may require the acceleration of the time for exercise of the Option. Notwithstanding the foregoing, no acceleration of the vesting of Options held by Optionees performing Investor Relations Activities shall occur without the prior written consent of the Exchange.

Restricted Share Unit Plan

The Stock Option Plan of the Company requires that the addition of a deferred or restricted share unit or any other provision which results in participants under the Stock Option Plan receiving securities while no cash consideration is received by the Company requires the approval of the Board, the TSXV and the Shareholders of the Company.

Therefore, the RSU Plan was approved by the Shareholders at the Company's annual general and special meeting held on August 20, 2020.

A summary of the material terms of the RSU Plan is set forth below. The summary information is qualified in its entirety by the full text of the RSU Plan, a copy of which is attached as Schedule "D" to the Management Information Circular of the Company dated July 16, 2020.

- **Eligible Persons.** The Board or the Committee may grant RSUs to directors, officers, employees or consultants of the Company or a subsidiary of the Company (the "**Participants**"), other than persons performing Investor Relations Activities, provided that the Board, together with such individuals or companies, are responsible for ensuring and confirming that such person is a bona fide Participant.

- **Fixed Plan.** The RSU Plan is a fixed plan, such that the aggregate number of Common Shares that may be issued pursuant to the RSU Plan shall not exceed 28,267,516 Common Shares, less the number of Shares issuable pursuant to all other Security Based Compensation Arrangements (including the Stock Option Plan). As of the date of this Circular, 9,464,091 Common Shares remain available for issuance under the RSU Plan, taking into account all Security Based Compensation Arrangements.

- **Vesting.** Each RSU will vest in such manner as determined by the Board or the Committee at the time of grant.

- **Settlement of RSU's.** On the Vesting Date, the Company at its sole and absolute discretion have the option of settling the RSUs in cash (if applicable), Common Shares acquired by the Company on the TSXV or Common Shares to be issued from the treasury of the Company.

- **Limitations.** The RSU Plan includes the following additional limitations: (i) the number of Common Shares reserved for issuance to any one Participant retained as a consultant to provide services to the Company or its subsidiaries under all Security Based Compensation Arrangements in any 12 month period shall not exceed 2% of the issued and outstanding Common Shares; (ii) the number of Common Shares reserved for issuance to any one Participant under all Security Based Compensation Arrangements in any 12 month period will not exceed 5% of the issued and outstanding Common Shares; (iii) unless the Company has received disinterested Shareholder approval to do so, the number of Common Shares issuable to Insiders, at any time, under all Security Based Compensation Arrangements, shall not exceed 10% of the issued and outstanding Common Shares; and (iv) unless the Company has received disinterested Shareholder approval to do so the number of Common Shares issued to Insiders, within any one year period, under all Security Based Compensation Arrangements, shall not exceed 10% of the issued and outstanding Common Shares.

- **Ceasing to be a director, officer, employee or consultant.** The RSU Plan provides that that if a Participant shall cease to be a director or officer of or be in the employ of, or a consultant or other Participant to, the Company or a subsidiary for any reason whatsoever including, without limitation, retirement, resignation or involuntary termination (with or without cause), as determined by the Board in its sole discretion, before all of the awards respecting RSUs credited to the Participant's account have vested or are forfeited pursuant to any other provision hereof, (i) such Participant shall cease to be a Participant as of the forfeiture date, (ii) the former Participant shall forfeit all unvested awards respecting RSUs credited to the Participant's account effective as at the forfeiture date, (iii) any award value corresponding to any vested RSUs remaining unpaid as of the forfeiture date shall be paid to the former Participant and (iv) the former Participant shall not be entitled to any further payment from the RSU Plan:

- **Change of control.** In the event of a Change of Control (as defined in the RSU Plan), the Board or the Committee shall have absolute discretion to determine if all issued and outstanding RSUs shall vest (whether or not then vested) upon the Change of Control and the vesting date shall be the date which is immediately prior to the time such Change of Control takes place, or at such earlier time as may be established by the Board or the Committee, in its absolute discretion, prior to the time such Change of Control takes place.

- **Transferability.** Except as required by law, the rights of a Participant hereunder are not capable of being assigned, transferred, alienated, sold, encumbered, pledged, mortgaged or charged and are not capable of being subject to attachment or legal process for the payment of any debts or obligations of the Participant.

- **Amendments** The Board may amend the RSU Plan in any way, or discontinue the RSU Plan altogether, and may amend, in any way, any RSU granted under the RSU Plan at any time without the consent of a Participant, provided that such amendment shall not adversely alter or impair any RSU previously granted under the RSU Plan or any related RSU agreement, except as otherwise permitted under the RSU Plan. In addition, the Board may, by resolution, make any amendment to the RSU Plan or any RSU granted under it (together with any related RSU agreement) without Shareholder approval, provided however, that the Board will not be entitled to amend the RSU Plan or any RSU granted under it without Shareholder (disinterested Shareholder approval if applicable) and, if applicable, TSXV approval, in order to: (i) increase the maximum number of Common Shares issuable pursuant to the RSU Plan; (ii) cancel an RSU and subsequently issue to the holder of such RSU a new RSU in replacement thereof; (iii) extend the term of an RSU, but not beyond the Expiry Date; (iv) permit the assignment or transfer of an RSU other than as provided for in the RSU Plan; (v) add to the categories of persons eligible to participate in this Plan; or (vi) in any other circumstances where TSXV and Shareholder approval is required by the TSXV. Any renewal of this plan will be subject to disinterested Shareholder approval, and TSXV approval as applicable.

Employment, Consulting, and Management Agreements

Effective July 1, 2014, the Company entered into an agreement with Tamir Poleg to serve as CEO of the Company at an annual salary of $175,000 USD.

Effective October 15, 2020, the Company entered into an agreement with Michelle Ressler to serve as CFO of the Company at an annual salary of $160,000 USD.

Except as disclosed above, there were no other agreements or arrangements under which compensation was provided during the most recently completed financial year ended December 31, 2020 or is payable in respect of services provided to the Company or any of its subsidiaries that were performed by a director or NEO.

Compensation Discussion and Analysis

Introduction

The Compensation Discussion and Analysis section of this Circular sets out the objectives of the Company's executive compensation arrangements, the Company's executive compensation philosophy and the application of this philosophy to the Company's executive compensation arrangements. The Company has established the Compensation Committee, which has been granted the author and assigned the responsibility to review the compensation received by directors and NEOs. As at December 31, 2020, the Compensation Committee did not have a formal charter. The Compensation Committee adopted a charter in January 2021.

When determining the compensation arrangements for the NEOs and directors, the Compensation Committee considers the objectives of: (i) retaining an executive critical to the success of the Company and the enhancement of Shareholder value; (ii) providing fair and competitive compensation; (iii) balancing the interests of management and Shareholders of the Company; and (iv) rewarding performance, both on an individual basis and with respect to the business in general.

The Compensation Committee is comprised of Guy Gamzu (Chair), Laurence Rose and Tamir Poleg, all of whom have experience that is relevant to their responsibilities.

Benchmarking

In determining the compensation level for each executive, the Compensation Committee looks at factors such as the relative complexity of the executive's role within the organization, the executive's performance and potential for future advancement, the compensation paid by other companies in the same industry as the Company, and pay equity considerations.

Elements of Compensation

The compensation paid to directors and NEOs in any year consists of two primary components: base salary and equity participation through the Stock Option Plan and RSU Plan.

The Company believes that making a significant portion of the NEOs' and directors' compensation based on long-term incentives supports the Company's executive compensation philosophy, as these forms of compensation allow those most accountable for the Company's long-term success to acquire and hold the Company's Common Shares. The key features of these two primary components of compensation are discussed below:

Base Salary

Base salary recognizes the value of an individual to the Company based on his or her role, skill, performance, contributions, leadership and potential. It is critical in attracting and retaining executive talent in the markets in which the Company competes for talent. Base salaries for the Named Executive Officers and directors are reviewed annually. Any change in the base salary of a Named Executive Officer or a director is generally determined by an assessment of such executive's performance, a consideration of competitive compensation levels in companies similar to the Company and a review of the performance of the Company as a whole and the role such executive officer played in such corporate performance.

Equity Participation

The Company provides long-term incentives to the NEOs and directors in the form of Options as part of its overall executive compensation strategy. The Compensation Committee believes that Option grants serve the Company's executive compensation philosophy in several ways: they help attract, retain, and motivate talent; they align the interests of the Named Executive Officers and directors with those of the Shareholders by linking a specific portion of the officer's total pay opportunity to share price; and they provide long-term accountability for NEOs and directors. The Company does not have any policies which permit or prohibit a NEOs or director to purchase financial instruments.

Pension Disclosure

There are no pension plan benefits in place for the Named Executive Officers or the directors of the Company.

Securities Authorized for Issuance under Equity Compensation Plans

The following table sets forth the securities of the Company that are authorized for issuance under the equity compensation plans as at December 31, 2020.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans
Equity compensation plans approved by securityholders	14,408,777	$0.27	14,098,732[(1)]
Equity compensation plans not approved by securityholders	Nil	N/A	Nil
Total	14,408,777	$0.27	14,098,732[(1)]

Note:

(1) This figure is based on the total number of Common Shares authorized for issuance under the Stock Option Plan and RSU Plan, less the number of Options and RSUs outstanding as at the Company's year ended December 31, 2020.

AUDIT COMMITTEE

Under National Instrument 52-110 – *Audit Committees* ("**NI 52-110**"), the Company is required to include in this Management Information Circular the disclosure required under Form 52-110F2 with respect to the Audit Committee of the Board, including the composition of the Audit Committee, the text of the Audit Committee charter (attached hereto as Schedule "A"), and the fees paid to the external auditor. The Company is relying on the exemption provided in Section 6.1 of NI 52-110 as the Company is a "venture issuer". As a result, the Company is exempt from the requirements of Part 3 (Composition of Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

Composition of the Audit Committee

The following are the current members of the Audit Committee:

Name	Independence[(1)]	Financial Literacy
Larry Klane (Chair)	Independent	Financially Literate
Tamir Poleg	Non-Independent	Financially Literate
Atul Malhotra Jr.	Independent	Financially Literate

Notes:

(1) The Company is a "venture issuer" for the purposes of NI 52-110. As such, the Company is exempt from the requirement to have the Audit Committee comprised entirely of independent members.

A majority of the members of the Audit Committee of the Company are not executive officers, employees or control persons of the Company or any of its affiliates. Upon the election of Vikki Bartholomae to the Board (See "Matters to be Considered at the Meeting – Election of Directors"), it is expected that the Audit Committee will be reconstituted to consist of Larry Klane (Chair), Atul Malhotra Jr. and Vikki Bartholomae all of whom are independent directors.

Relevant Education and Experience

Larry Klane, Age 60 – Director

Larry Klane is an independent director, co-founder of an investment firm and prior CEO and business leader of an array of wholesale and retail financial services businesses globally. In addition to his executive experience, Mr. Klane has served on nine corporate boards—four public boards (two in the United States and two in Asia) and five private boards (two in the United States, two in Europe and one in Canada). Mr. Klane currently serves on the boards of Goldman Sachs Bank USA and Navient Corporation (Nasdaq: NAVI). Previously, Mr. Klane served as Chairman of the Board and CEO of Korea Exchange Bank and as a Director of Aozora Bank, publicly traded banks in Korea and Japan respectively. Prior to leading Korea Exchange Bank, Mr. Klane served as President of the Global Financial Services division of Capital One Financial Corporation. Mr. Klane joined Capital One in 2000 to help lead the company's transformation to a diversified financial services business. His responsibilities during his tenure included a broad range of consumer and business finance activities in the United States, Europe and Canada. He oversaw all merger and acquisition activities. Prior to Capital One, Mr. Klane was a Managing Director at Deutsche Bank and ran the Corporate Trust and Agency Services business acquired from Bankers Trust. Earlier in his career, Larry spent a decade in a variety of US and overseas consulting and strategy roles. Mr. Klane qualifies as a Qualified Financial Expert under SEC guidelines. In January 2014, Larry co-founded Pivot Investment Partners, a private investment firm focused on investing in a select set of high potential financial technology companies. Mr. Klane received his MBA from the Stanford Graduate School of Business and earned his undergraduate degree from Harvard College. In 2007, Mr. Klane was nominated by the President of the United States to sit on the Federal Reserve Board of Governors.

Tamir Poleg, Age 45 – CEO and Director

Tamir Poleg is the Co-Founder and CEO of Real since Real was founded in 2014. Prior to founding Real, Mr. Poleg founded and served as the Chief Executive Officer of Optimum RE Investments – a real estate company focused on multi-family investments and operations. Prior to shifting to real estate, Mr. Poleg served in executive sales and business development positions with several technology companies, focusing on wireless infrastructure development and deployment across multiple continents. With over 15 years of real estate experience, including serving as a construction manager, and 9 years of technology company experience, Mr. Poleg is considered an expert in real estate technology and a member of Forbes Real Estate Council. Mr. Poleg holds a bachelor's degree in economics and several real estate related accreditations. Mr. Poleg is the sole director and officer of each of the Company's subsidiaries.

Atul Malhotra Jr., Age 28 – Director

AJ Malhotra joined the Real team as a Director in December 2020. He is a Principal on the investment team at Insight Partners, a $30b+ global technology investor in New York City. He serves as a Board Member for multiple Insight portfolio companies. AJ received a BBA from the University of Michigan's Stephen M. Ross School of Business, graduating with high distinction. While in college, he ran one of the largest undergraduate investment funds in the United States.

Audit Committee Oversight

At no time since the commencement of the Company's most recently completed financial period was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

Reliance on Certain Exemptions

At no time since the commencement of the Company's most recently completed financial period has the Company relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis Non-audit Services*), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

Audit Committee Charter

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in Schedule "A" attached hereto.

External Auditor Service Fees (By Category)

The aggregate fees billed by the Company's external auditors for the financial year ended December 31, 2020 are approximately as follows:

Financial Period Ending	Audit Fees[(1)]	Audit Related Fees[(2)]	Tax Fees[(3)]	All Other Fees
December 31, 2020	40,000[(4)]	Nil	30,000[(4)]	Nil
December 31, 2019	$8,503	Nil	Nil	Nil

Notes:

(1) "Audit Fees" includes fees for the performance of the annual audit and for accounting consultations on matters reflected in the financial statements.

(2) "Audit Related Fees" includes fees for assurance and related services, related to the performance of the review of the financial statements including "earn-in" audit work that are not reported under Audit Fees.

(3) "Tax Fees" includes the fees paid for tax compliance, tax planning and tax advice.

(4) This amount is reported in United States dollars, the currency used in the Company's 2020 financial statements.

The Company is relying on the exemption provided in Section 6.1 of NI 52-110 as the Company is a "venture issuer".

CORPORATE GOVERNANCE

National Policy 58-201 – *Corporate Governance Guidelines* establishes corporate governance guidelines which apply to all public companies. The Company has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Company's practices comply with the guidelines; however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore these guidelines have not been adopted. National Instrument 58-101 – *Disclosure of Corporate Governance Practices* mandates disclosure of corporate governance practices, which disclosure is set out below.

(a) *Independence of Members of Board*

There are five directors on the Board, of which Larry Klane, Guy Gamzu and Atul Malhotra Jr. are independent directors based upon the tests for independence set forth in National Instrument 52-110 – *Audit Committees* ("**NI 52-110**"). Tamir Poleg is not independent as he is a member of management of the Company. Laurence Rose is not independent because he was the former Chief Executive Officer and Chief Financial Officer of the Company prior to completion of the Qualifying Transaction.

(b) *Management Supervision by Board*

The Board has determined that the current constitution of the Board is appropriate for the Company's current stage of development. Independent supervision of management is accomplished through choosing management who demonstrate a high level of integrity and ability and having strong independent Board members.

(c) Participation of Directors in Other Reporting Issuers

The following director of the Company presently holds a directorship in another reporting issuer as set out below:

Name	Name of Reporting Issuer	Exchange	Position	From	To
Larry Klane	Navient Corporation	NASDAQ	Director	May 2019	Present

(d) Orientation and Continuing Education

While the Company does not have formal orientation and training programs, new Board members are provided with:

(a) information respecting the functioning of the Board, committees and copies of the Company's corporate governance policies;

(b) access to recent, publicly filed documents of the Company; and

(c) access to management.

Board members are encouraged to communicate with management, auditors and technical consultants; to keep themselves current with industry trends and developments and changes in legislation with management's assistance; and to attend related industry seminars. Board members have full access to the Company's records.

(e) Ethical Business Conduct

The Board views good corporate governance and ethical business conduct as an integral component to the success of the Company and to meet responsibilities to its Shareholders. The Company has adopted a Code of Conduct to encourage and promote a culture of ethical business conduct. Additionally, the Company has implemented a Stock Trading Policy, which is designed to provide guidance to the directors, officers, consultants and employees of the Company and its subsidiaries with respect to stock trading.

(f) Nomination of Directors

The Board has responsibility for identifying potential Board candidates. The Board assesses potential Board candidates to fill perceived needs on the Board for required skills, expertise, independence and other factors. Pursuant to the Investors Rights Agreement, Insight Partners is permitted to nominate one Investor Director Designee to the Board so long as Insight Partners satisfies the Beneficial Ownership Requirement.

(g) Compensation of Directors and the CEO and CFO

The Compensation Committee has the responsibility for determining compensation for the directors and senior management.

To determine compensation payable, the Compensation Committee reviews compensation paid to directors, CEOs and CFOs of companies of similar size and stage of development and determine an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the directors and senior management while taking into account the financial and other resources of the Company. In setting the compensation, the Compensation Committee annually reviews the performance of the CEO and CFO in light of the Company's objectives and considers other factors that may have impacted the success of the Company in achieving its objectives.

(h) *Board Committees*

In addition to its Audit Committee, the Board has a Compensation Committee comprised of Guy Gamzu (Chair), Laurence Rose and Tamir Poleg.

(i) *Corporate Governance Committee*

The primary responsibilities of the Corporate Governance Committee are to serve as a nominating committee for directors and officers, recommend committee structures, review director independence and compensation and assist the Board in reviewing the performance of the Board and the Chief Executive Officer.

(j) *Assessments*

The Corporate Governance Committee annually, and at such other times as it deems appropriate, reviews the performance and effectiveness of the Board, the directors and its committees to determine whether changes in size, personnel or responsibilities are warranted. To assist in its review, the Board conducts informal surveys of its directors, and reports from the Audit Committee respecting its own effectiveness. As part of the assessments, the Board or the committee may review their respective mandate or charter and conduct reviews of applicable corporate policies.

PARTICULARS OF MATTERS TO BE ACTED UPON

To the knowledge of the Board, the only matters to be brought before the Meeting are set forth in the accompanying Notice. These matters are described in more detail under the headings below.

1) Financial Statements

The audited financial statements of the Company for the year ended December 31, 2020 and the auditor's report thereon will be received at the Meeting. The audited financial statements of the Company and the auditor's report were delivered to each Shareholder who has formally requested a copy thereof as required pursuant to applicable laws and are available on SEDAR at www.sedar.com. No formal action will be taken at the Meeting to approve the financial statements.

2) Fixing the Number of Directors

The Company is required to have a minimum of three (3) directors. At the Meeting, Shareholders will be asked to fix the number of directors of the Company at six (6).

In the absence of a contrary instruction, the person(s) designated by management of the Company in the enclosed Instrument of Proxy intend to vote FOR the fixing of the number of directors of the Company at six (6).

3) Election of Directors

Under the Articles of the Company, directors of the Company are elected annually. Each director will hold office until the next annual general meeting or until the successor of such director is duly elected or appointed, unless such office is earlier vacated in accordance with the Articles.

In the absence of a contrary instruction, the person(s) designated by management of the Company in the enclosed Instrument of Proxy intend to vote FOR the election as directors of the proposed nominees whose names are set forth below, each of whom has been a director since the date indicated below opposite the proposed nominee's name. Management does not contemplate that any of the proposed nominees will be unable to serve as a director, but if that should occur for any reason prior to the Meeting, the Common Shares represented by properly executed proxies given in favour of such nominee(s) may be voted by the person(s) designated by management of the Company in the enclosed Instrument of Proxy, in their discretion, in favour of another nominee.

The following table sets forth the name of each of the persons proposed to be nominated for election as a director of the Company, all positions and offices in the Company presently held by such nominees, the nominees' municipality and country of residence, principal occupation at the present time, the period during which the nominees have served as directors, and the number and percentage of Common Shares currently beneficially owned by the nominees, directly or indirectly, or over which control or direction is exercised.

Name and Place of Residence	Principal Occupation for Past Five (5) Years	Became Director	Number and Percentage of Common Shares Beneficially Owned or Controlled[1]
Tamir Poleg[2][3] Tel Aviv, Israel	Chief Executive Officer, Real Technology Broker Ltd.	June 5, 2020	9,578,850 (6.68%)
Guy Gamzu[3][4] Tel Aviv, Israel	Investor	June 5, 2020	17,920,830 (12.50%)[3]
Larry Klane[2][5] Westport, Connecticut	Partner, Pivot Investment Partners	June 5, 2020	4,575,164 (3.19%)[4]
Laurence Rose[6] Toronto, Ontario	Chairman & CEO, Tradelogiq Markets Inc.	February 28, 2018	2,274,672 (1.59%)[5]
Atul Malhotra Jr.[2][3] New York, NY	Principal, Insight Partners	December 2, 2020	0[7] 0%
Vikki Bartholomae Winter Garden, Florida	Franchise Owner, Wild Birds Unlimited; Chief Customer Success Officer, Side; President and Director of Expansion, eXp Realty	N/A	0 0%

Notes:

(1) Based on 143,334,243 Common Shares issued and outstanding as at the date hereof.

(2) Member of the Audit Committee.

(3) Member of the Compensation Committee

(4) Comprised of 16,660,455 Common Shares held by Cubit Investments Ltd., a company beneficially owned by Mr. Gamzu and 1,260,375 Common Shares held by Mr. Gamzu personally.

(5) Held by Poom Holdings LLC, a company beneficially owned by Mr. Klane.

(6) Comprised of 2,246,772 Common Shares held by Held by Matchpoint Capital Inc., a company beneficially owned by Mr. Rose and 27,900 Common Shares held my Mr. Rose personally.

(7) Atul Malhotra Jr. serves as the Investor Director Designee of Insight Partners in connection with the Investor Rights Agreement. Insight Partners holds 17,286,842 preferred units ("**Preferred Units**") of Real PIPE, LLC, a subsidiary of the Company, which are exchangeable for Common Shares, and 17,286,842 share purchase warrants of the Company ("**Warrants**"), which are exercisable for Common Shares. Mr. Malhotra is a Principal on the investment team at Insight Partners and disclaims beneficial ownership of Preferred Units and Warrants the held by Insight Partners.

Biographical information regarding the proposed directors is set out below.

Tamir Poleg, Age 45 – Chairman, Chief Executive Officer and Director

Tamir Poleg is the Co-Founder and CEO of Real Technology Broker Ltd. ("**Real Technology**") since it was founded in 2014. Prior to founding Real Technology, Mr. Poleg founded and served as the Chief Executive Officer of Optimum RE Investments – a real estate company focused on multi-family investments and operations. Prior to shifting to real estate, Mr. Poleg served in executive sales and business development positions with several technology companies, focusing on wireless infrastructure development and deployment across multiple continents. With over 15 years of real estate experience, including serving as a construction manager, and 9 years of technology company experience, Mr. Poleg is considered an expert in real estate technology and a member of Forbes Real Estate Council. Mr. Poleg holds a bachelor's degree in economics and several real estate related accreditations. Mr. Poleg is the sole director and officer of each of Real's subsidiaries.

Larry Klane, Age 60 – Director

Larry Klane is an independent director, co-founder of an investment firm and prior CEO and business leader of an array of wholesale and retail financial services businesses globally. In addition to his executive experience, Mr. Klane has served on nine corporate boards—four public boards (two in the United States and two in Asia) and five private boards (two in the United States, two in Europe and one in Canada). Mr. Klane currently serves on the boards of Goldman Sachs Bank USA and Navient Corporation (Nasdaq: NAVI). Previously, Mr. Klane served as Chairman of the Board and CEO of Korea Exchange Bank and as a Director of Aozora Bank, publicly traded banks in Korea and Japan respectively. Prior to leading Korea Exchange Bank, Mr. Klane served as President of the Global Financial Services division of Capital One Financial Corporation. Mr. Klane joined Capital One in 2000 to help lead the company's transformation to a diversified financial services business. His responsibilities during his tenure included a broad range of consumer and business finance activities in the United States, Europe and Canada. He oversaw all merger and acquisition activities. Prior to Capital One, Mr. Klane was a Managing Director at Deutsche Bank and ran the Corporate Trust and Agency Services business acquired from Bankers Trust. Earlier in his career, Larry spent a decade in a variety of US and overseas consulting and strategy roles. Mr. Klane qualifies as a Qualified Financial Expert under SEC guidelines. In January 2014, Larry co-founded Pivot Investment Partners, a private investment firm focused on investing in a select set of high potential financial technology companies. Mr. Klane received his MBA from the Stanford Graduate School of Business and earned his undergraduate degree from Harvard College. In 2007, Mr. Klane was nominated by the President of the United States to sit on the Federal Reserve Board of Governors.

Guy Gamzu, Age 54 – Director

Guy Gamzu founded and has served as the Chairman of Cubit Investments Ltd., a privately owned investment company specializing in early stage venture finance since 1998 and serves as a director and chairman of a number of private technology companies.

Laurence Rose, Age 51 – Director

Laurence Rose serves as Chairman of Omega ATS Inc. and is President of private investment firm Matchpoint Financial Corp. Mr. Rose spent over eleven years at global investment bank Cantor Fitzgerald where his responsibilities included executive oversight of a number of business units, joint ventures, and investments. He served as Chairman, President and Chief Executive Officer of Cantor Fitzgerald Canada Corporation and Senior Managing Director of Cantor Fitzgerald & Co. Prior to joining Cantor Fitzgerald, Mr. Rose was founder and CEO of CollectiveBid Systems Inc. and its wholly-owned investment dealer subsidiary, CBID Markets Inc., which launched Canada's first Alternative Trading System (ATS). With over twenty-five years' experience in the capital markets and technology sectors, his professional experience also includes positions with RBC Dominion Securities Inc., Dow Jones Markets Inc. and Bridge Information Systems. Mr. Rose serves on a number of Boards of both corporate and non-profit organizations.

Atul Malhotra Jr., Age 28 – Director

AJ Malhotra joined the Real team as a Director in December 2020. He is a Principal on the investment team at Insight Partners, a $30b+ global technology investor in New York City. He serves as a Board Member for multiple Insight portfolio companies. AJ received a BBA from the University of Michigan's Stephen M. Ross School of Business, graduating with high distinction. While in college, he ran one of the largest undergraduate investment funds in the United States.

Vikki Bartholomae, Age 50 – Director

Vikki Batholomae joined Real's board of advisors in January 2021 to continue her service to real estate agents. A recognized industry leader, she previously served as Chief of Agent Success at Side and President at eXp Realty, where she helped the company grow from 500 agents to 15,000 agents in three years. Vikki also worked as team leader and agent throughout her career with Tarbell Realtors, Disney Vacation Development and Keller Williams. She has extensive experience coaching real estate agents. Recently, Vikki and her husband embarked on a new adventure, launching Wild Bird Unlimited, a bricks- and-mortar store in Orlando.

Corporate Cease Trade Orders or Bankruptcies

No person proposed to be nominated for election as a director at the Meeting is or has been, within the preceding ten years, a director, chief executive officer or chief financial officer of any company (including the Company) that:

(a) was the subject of a cease trade or similar order, or an order that denied such company access to any exemptions under applicable securities legislation that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer, or

(b) was the subject of a cease trade or similar order, or an order that denied such company access to any exemptions under applicable securities legislation that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

No person proposed to be nominated for election as a director at the Meeting is or has been, within the preceding ten years, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

No person proposed to be nominated for election as a director at the Meeting is or has, within the preceding ten years, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or has become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such person.

3) Appointment of Auditors

Brightman Almagor Zohar & Co. (a firm in the Deloitte Global Network) will be nominated at the Meeting for appointment as auditors of the Company to hold office until the next annual general meeting of Shareholders. There were no "reportable events" as such term is defined under NI 51-102.

Brightman Almagor Zohar & Co. was first appointed as auditor of the Company on June 8, 2020.

At the Meeting, the Shareholders will be requested to appoint Brightman Almagor Zohar & Co. as auditors of the Company to hold office until the next annual general meeting of Shareholders.

It is the intention of the persons named in the enclosed Instrument of Proxy, if not expressly directed to the contrary in such Instrument of Proxy, to vote such proxies FOR the appointment of Brightman Almagor Zohar & Co., (a firm in the Deloitte Global Network) as auditors of the Company, to hold office until the close of the next annual general meeting of shareholders, at such remuneration as may be fixed by the directors of the Company.

ADDITIONAL INFORMATION

Additional information about the Company is located on SEDAR at www.sedar.com. Financial information is provided in the Company's financial statements and Management's Discussion and Analysis ("**MD&A**") for the financial year ended December 31, 2020, which were filed on SEDAR.

Under National Instrument 51-102 *Continuous Disclosure Obligations*, any person or company who wishes to receive interim financial statements from the Company may deliver a written request for such material to the Company or the Company's agent, together with a signed statement that the persons or company is the owner of securities of the Company. Shareholders who wish to receive interim financial statements are encouraged to send the enclosed mail card, together with the completed Instrument of Proxy, in the addressed envelope provided, to the Company's registrar and Transfer Agent, Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1. The Company will maintain a supplemental mailing list of persons or companies wishing to receive interim financial statements.

Shareholders may contact the Company to request copies of the financial statements and MD&A by writing to the Company's CFO, Michelle Ressler, at the following address:

THE REAL BROKERAGE INC.
133 Richmond Street West, Suite 302
Toronto, Ontario
M5H 2L3

DIRECTORS APPROVAL

The contents of this Management Information Circular and the sending thereof to the Shareholders of the Company have been approved by the Board.

Dated March 17, 2021

(signed) "Tamir Poleg"

Tamir Poleg
Chief Executive Officer

SCHEDULE "A"

THE REAL BROKERAGE INC.
(THE "CORPORATION")
AUDIT COMMITTEE CHARTER

(a) Mandate

The primary function of the Audit Committee is to assist the board of directors (the "**Board**") in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Corporation to regulatory authorities and shareholders, the Corporation's systems of internal controls regarding finance and accounting and the Corporation's auditing, accounting and financial reporting processes. Consistent with this function, the Audit Committee will encourage continuous improvement of, and should foster adherence to, the Corporation's policies, procedures and practices at all levels. The Audit Committee's primary duties and responsibilities are to:

(i) Serve as an independent and objective party to monitor the Corporation's financial reporting and internal control system and review the Corporation's financial statements.

(ii) Review and appraise the performance of the Corporation's external auditors.

(iii) Provide an open avenue of communication among the Corporation's auditors, financial and senior management and the Board.

(b) Composition

The Audit Committee shall be comprised of three directors as determined by the Board, the majority of whom shall be free from any relationship that, in the opinion of the Board, would interfere with the exercise of his or her independent judgment as a member of the Audit Committee.

At least one member of the Audit Committee shall have accounting or related financial management expertise. All members of the Audit Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Audit Committee's Charter, the definition of "financially literate" is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Corporation's financial statements.

The members of the Audit Committee shall be elected by the Board at its first meeting following the annual shareholders' meeting. Unless a Chair is elected by the full Board, the members of the Audit Committee may designate a Chair by a majority vote of the full Audit Committee membership.

(c) Meetings

The Audit Committee shall meet at least twice annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Audit Committee will meet at least annually with the Chief Financial Officer and the external auditors in separate sessions.

(d) Responsibilities and Duties

(i) Documents/Reports Review

To fulfill its responsibilities and duties, the Audit Committee shall:

(A) Review and update this Charter annually.

(B) Review the Corporation's financial statements, MD&A, any annual and interim earnings and press releases before the Corporation publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.

(ii) External Auditors

(A) Review annually, the performance of the external auditors who shall be ultimately accountable to the Board and the Audit Committee as representatives of the shareholders of the Corporation.

(B) Obtain annually, a formal written statement of the external auditors setting forth all relationships between the external auditors and the Corporation, consistent with Independence Standards Board Standard 1.

(C) Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.

(D) Take, or recommend that the full Board take appropriate action to oversee the independence of the external auditors.

(E) Recommend to the Board the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.

(F) At each meeting of the Audit Committee, consult with the external auditors, without the presence of management, about the quality of the Corporation's accounting principles, internal controls and the completeness and accuracy of the Corporation's financial statements.

(G) Review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Corporation.

(H) Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.

(I) Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Corporation's external auditor. The pre-approval requirement is waived with respect to the provision of non-audit services provided;

(I) the aggregate amount of all such non-audit services provided to the Corporation constitutes not more than five percent of the total amount of fees paid by the Corporation to its external auditor during the fiscal year in which the non-audit services are provided;

(II) such services were not recognized by the Corporation at the time of the engagement to be non-audit services; and

(III) such services are promptly brought to the attention of the Audit Committee and approved, prior to the completion of the audit, by the Audit Committee or by one or more members of the Audit Committee to whom authority to grant such approvals has been delegated by the Audit Committee.

Provided the pre-approval of the non-audit services is presented to the Audit Committee's first scheduled meeting following such approval, such authority may be delegated by the Audit Committee to one or more independent members of the Audit Committee.

(e) Financial Reporting Processes

(i) In consultation with the external auditor, review with management the integrity of the Corporation's financial reporting process, both internal and external.

(ii) Consider the external auditors' judgments about the quality and appropriateness of the Corporation's accounting principles as applied in its financial reporting.

(iii) Consider and approve, if appropriate, changes to the Corporation's auditing and accounting principles and practices as suggested by the external auditor and management.

(iv) Review significant judgments made by management in the preparation of the financial statements and the view of the external auditor as to appropriateness of such judgments.

(v) Following completion of the annual audit, review separately with management and the external auditor any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.

(vi) Review any significant disagreement among management and the external auditor in connection with the preparation of the financial statements.

(vii) Review with the external auditor and management the extent to which changes and improvements in financial or accounting practices have been implemented.

(viii) Review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters.

(ix) Review the certification process.

(x) Establish a procedure for the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.

(f) Other

Review any related-party transactions.

THE REAL BROKERAGE INC.

Computershare

8th Floor, 100 University Avenue
Toronto, Ontario M5J 2Y1
www.computershare.com

Security Class

Holder Account Number

Fold

Form of Proxy - Annual General Meeting to be held on Tuesday, April 20, 2021

This Form of Proxy is solicited by and on behalf of Management.

Notes to proxy

1. **Every holder has the right to appoint some other person or company of their choice, who need not be a holder, to attend and act on their behalf at the meeting or any adjournment or postponement thereof. If you wish to appoint a person or company other than the Management Nominees whose names are printed herein, please insert the name of your chosen proxyholder in the space provided (see reverse).**
2. If the securities are registered in the name of more than one owner (for example, joint ownership, trustees, executors, etc.), then all those registered should sign this proxy. If you are voting on behalf of a corporation or another individual you may be required to provide documentation evidencing your power to sign this proxy with signing capacity stated.
3. This proxy should be signed in the exact manner as the name(s) appear(s) on the proxy.
4. If a date is not inserted in the space provided on the reverse of this proxy, it will be deemed to bear the date on which it was mailed to the holder by Management.
5. **The securities represented by this proxy will be voted as directed by the holder, however, if such a direction is not made in respect of any matter, and the proxy appoints the Management Nominees listed on the reverse, this proxy will be voted as recommended by Management.**
6. The securities represented by this proxy will be voted in favour, or withheld from voting, or voted against each of the matters described herein, as applicable, in accordance with the instructions of the holder, on any ballot that may be called for. If you have specified a choice with respect to any matter to be acted on, the securities will be voted accordingly.
7. This proxy confers discretionary authority in respect of amendments or variations to matters identified in the Notice of Meeting and Management Information Circular or other matters that may properly come before the meeting or any adjournment or postponement thereof, unless prohibited by law.
8. This proxy should be read in conjunction with the accompanying documentation provided by Management.

Fold

Proxies submitted must be received by 10:00 a.m., EDT, on Friday, April 16, 2021.

VOTE USING THE TELEPHONE OR INTERNET 24 HOURS A DAY 7 DAYS A WEEK!

To Vote Using the Telephone

- Call the number listed BELOW from a touch tone telephone.

1-866-732-VOTE (8683) Toll Free

To Vote Using the Internet

- Go to the following web site: www.investorvote.com
- **Smartphone?** Scan the QR code to vote now.

If you vote by telephone or the Internet, DO NOT mail back this proxy.

Voting by mail may be the only method for securities held in the name of a corporation or securities being voted on behalf of another individual.
Voting by mail or by Internet are the only methods by which a holder may appoint a person as proxyholder other than the Management Nominees named on the reverse of this proxy. Instead of mailing this proxy, you may choose one of the two voting methods outlined above to vote this proxy.

To vote by telephone or the Internet, you will need to provide your CONTROL NUMBER listed below.

CONTROL NUMBER

Appointment of Proxyholder

I/We being holder(s) of securities of The Real Brokerage Inc. (the "Company") hereby appoint: Laurence Rose, Director, or failing this person Jason Saltzman, Legal Counsel (the "Management Nominees")

OR

Print the name of the person you are appointing if this person is someone other than the Management Nominees listed herein.

as my/our proxyholder with full power of substitution and to attend, act and to vote for and on behalf of the holder in accordance with the following direction (or if no directions have been given, as the proxyholder sees fit) and on all other matters that may properly come before the Annual General Meeting of shareholders of the Company to be held at 133 Richmond Street West, Suite 302, Toronto, Ontario on Tuesday, April 20, 2021 at 10:00 a.m., EDT, and at any adjournment or postponement thereof.

VOTING RECOMMENDATIONS ARE INDICATED BY HIGHLIGHTED TEXT OVER THE BOXES.

	For	Against
1. **Number of Directors** To set the number of Directors at six.	☐	☐

Fold

2. **Election of Directors**	For	Withhold		For	Withhold		For	Withhold
01. Tamir Poleg	☐	☐	02. Guy Gamzu	☐	☐	03. Larry Klane	☐	☐
04. Laurence Rose	☐	☐	05. Atul Malhotra Jr.	☐	☐	06. Vikki Bartholomae	☐	☐

	For	Withhold
3. **Appointment of Auditors** To appoint Brightman Almagor Zohar & Co. (a firm in the Deloitte Global Network) as auditors of the Company.	☐	☐

Fold

Signature of Proxyholder

I/We authorize you to act in accordance with my/our instructions set out above. I/We hereby revoke any proxy previously given with respect to the Meeting. **If no voting instructions are indicated above, and the proxy appoints the Management Nominees, this Proxy will be voted as recommended by Management.**

Signature(s)

Date DD / MM / YY

Interim Financial Statements - Mark this box if you would like to receive Interim Financial Statements and accompanying Management's Discussion and Analysis by mail. ☐

Annual Financial Statements - Mark this box if you would like to receive the Annual Financial Statements and accompanying Management's Discussion and Analysis by mail. ☐

If you are not mailing back your proxy, you may register online to receive the above financial report(s) by mail at www.computershare.com/mailinglist.

VDLQ 321927 AR1

The Real Brokerage Inc. Broadens Its Tech- Powered Real Estate Brokerage to Wisconsin with the Addition of Top Real Estate Group and Agents

NEWS PROVIDED BY
The Real Brokerage Inc.
Mar 15, 2021, 07:47 ET

TORONTO and NEW YORK, March 15, 2021 /PRNewswire/ -- The Real Brokerage Inc. (Real) (TSXV: REAX) (OTCQX: REAXF), a national, technology-powered real estate brokerage in the United States, today announced its expansion to Wisconsin with the addition of a leading real estate group, Inventure Realty Group, and other top agents in the Madison and Milwaukee metro areas.

Continue Reading

"We look at Real as a great opportunity for the agents, one that we could never offer them."

Kathleen “Sona” Olson joins Real as Designated Managing Broker in Wisconsin.

Kenneth Kaiser, founder of Inventure Realty Group in Madison, Wisconsin, joins Real.

Inventure Realty Group is a 90-agent Madison-based real estate group sold 960 homes in 2020 worth US $283 million in closed volume. Local entrepreneur and UW-Madison alum Kenneth Kaiser founded Inventure in 2007 after learning the business from his parents and later making his mark as a top newcomer at Keller Williams. In 2014, his former colleague and fellow alum Kathleen "Sona" Olson joined him at Inventure as managing broker. Sona has over 20 years of experience as a broker in Wisconsin and is a third generation REALTOR®. She spent the first 12- years of her career working with her father, a residential real estate developer, learning about land development and the residential market.

Driven by its family roots in the business, Inventure's mission is to return as much value as possible to agents with the belief that well-supported agents provide the best service to clients. In 2021, Real presented an opportunity to expand on Inventure's education platform and its mission to provide their agents with the best support possible. The next-generation brokerage that Real presents is an "opportunity we cannot afford to lose for our agents or our company," said Kaiser, who will be taking on the role of Wisconsin growth leader at Real.

"The question we had was how do you keep growing when the model for real estate is changing?" said Kaiser. "We look at Real as a great opportunity for the agents, one that we could never offer them, with additional financial opportunities, technology and national footprint. It gives our agents a way to build other revenue sources and be associated with something bigger."

"Real is shaking up the traditional models in our industry. It's exciting that we can be involved and help build a foundation here for our agents," said Olson, who has signed on to be Real's Designated Managing Broker in Wisconsin.

"We are excited to launch Real in Wisconsin with Inventure Realty Group's local recognition for extraordinary service and the shared desire to provide agents in the Badger State with the best platform for growth possible," said Real co-founder and CEO Tamir Poleg.

Additional agents who joined in Real's launch in Wisconsin include the following:

- John Glassbrenner with Newfangled Realty in the Chippewa Valley
- Jacqueline Knight and Guy Lofts in Verona
- Danice Kalscheur with NextHome Metro in Madison
- Mary Lausted in Eau Claire and Chippewa Falls
- Leah Marsh in Appleton
- Omar Ortiz with Flamboyant Real Estate Group in Milwaukee
- Brian Redlich and Mike Lu with the Real Estate By Redlich Team in Milwaukee.

Guy Lofts served as associate broker for Real's Wisconsin launch. Lofts brings over 20 years of experience to the role, including leadership positions at eXp Realty and Keller Williams. He is known for identifying talent, providing vision, recruiting, training and motivating agents.

"At Real I look forward to helping both customers and agents achieve the American dream through best-in-class technology and the most compelling opportunities for agents with competitive splits, stock purchase programs and revenue sharing," said Lofts.

About Real

Real (www.joinreal.com) is a technology-powered real estate brokerage operating in 25 U.S. states and the District of Columbia. Real is building the brokerage of the future, together with agents and their clients. Real creates financial opportunities for agents through better commission splits, best-in-class technology, revenue sharing and equity incentives.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities of the Company will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act, and may not be offered or sold within the United States or to, or for the account or bene t of U.S. persons except in certain transactions exempt from the registration requirements of the U.S. Securities Act)

Forward-looking Information

This press release contains forward-looking information within the meaning of applicable Canadian securities laws. Forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "expect", "likely" and "intend" and statements that an event or result "may", "will", "should", "could" or "might" occur or be achieved and other similar expressions. These statements reflect management's current beliefs and are based on information currently available to management as at the date hereof. Forward-looking information in this press release includes, without limiting the foregoing, Information relating to Real's future growth plans and strategy, and eligibility of agents to receive performance-based or equity incentives as part of Real's incentive program.

Forward-looking information is based on assumptions that may prove to be incorrect, including but not limited to Real's business objectives, expected growth, results of operations, performance, business projects and opportunities and financial results. Real considers these assumptions to be reasonable in the circumstances. However, forward-looking information is subject to known and unknown risks, uncertainties and other factors that could cause actual results, performance or achievements to differ materially from those expressed or implied in the forward-looking information. These factors should be carefully considered and readers should not place undue reliance on the forward-looking statements. Although the forward-looking statements contained in this press release are based upon what management believes to be reasonable assumptions, Real cannot assure readers that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this press release, and Real assumes no obligation to update or revise them to reflect new events or circumstances, except as required by law.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release, and the OTCQX has neither approved nor disapproved the contents of this press release.

Contact:
Lynda Radosevich
917-922-7020
lynda@joinreal.com

SOURCE The Real Brokerage Inc.

The Real Brokerage Inc. Expands Its Mission- Driven Real Estate Brokerage to Kansas

NEWS PROVIDED BY
The Real Brokerage Inc.
Mar 17, 2021, 07:30 ET

Wichita Area Expert Traci Ratzlaff Named State Broker

TORONTO and NEW YORK, March 17, 2021 /PRNewswire/ -- The Real Brokerage Inc. (TSXV: REAX) (OTCQX: REAXF) ("Real"), a technology-powered real estate brokerage, today announced the company's national expansion to the state of Kansas with the appointment of local professional Traci Ratzlaff as the State Broker for Kansas. Real is now operating in 26 states and the District of Columbia.

Traci Ratzcliff, State Broker for Kansas, The Real Brokerage Inc.

Real provides the supportive business culture I have been searching for and the financial opportunities are unmatched.

Traci brings over 20 years of real estate experience to Real, including five years at ReMax Advantage REALTORS, Inc., and averages 50 to 70 transactions per year ($5-8 million) covering primarily rural Kansas. In addition to her new role at Real, she has maintained her status as a Registered Nurse and volunteers in her community with the American Red Cross, local health departments and the United Way. Her commitments also include support of local and state realtor associations. She believes in giving back to the community she loves. She has deep roots in the community and brings a strong servant leadership style to Real that we value in our state brokers.

"Real provides the supportive business culture I have been searching for and the financial opportunities are unmatched," said Ratzlaff. She added, "The focus on excellent service for clients and agents and evolving as the real estate business changes made this an easy decision for me."

"Traci has the right combination of experience, leadership and support of our mission that will help power Real's expansion in the Midwest," said Real founder and CEO Tamir Poleg.

Contact:
Lynda Radosevich
917-922-7020

About Real
The Real Brokerage Inc. (Real) (TSXV: REAX) (OTCQX: REAXF) is a technology-powered real estate brokerage operating in 26 U.S. states and the District of Columbia. Real is building the future, together with agents and their clients. Real creates financial opportunities for agents through better commission splits, best-in-class technology, revenue sharing and equity incentives. Learn more at www.joinreal.com.

Forward-looking Information

This press release contains forward-looking information within the meaning of applicable Canadian securities laws. Forward-looking information is often, but not always, identified by the use of words such as " seek", " anticipate", " believe", " plan", " estimate", " expect", " likely" and " intend" and statements that an event or result "may", "will", "should", "could" or "might" occur or be achieved and other similar expressions. These statements reflect management's current beliefs and are based on information currently available to management as at the date hereof. Forward-looking information in this press release includes, without limiting the foregoing, Information relating to Real's future growth plans and strategy, and eligibility of agents to receive performance-based or equity incentives as part of Real's incentive program.

Forward-looking information is based on assumptions that may prove to be incorrect, including but not limited to Real's business objectives, expected growth, results of operations, performance, business projects and opportunities and financial results. Real considers these assumptions to be reasonable in the circumstances. However, forward-looking information is subject to known and unknown risks, uncertainties and other factors that could cause actual results, performance or achievements to differ materially from those expressed or implied in the forward-looking information. These factors should be carefully considered and readers should not place undue reliance on the forward-looking statements. Although the forward-looking statements contained in this press release are based upon what management believes to be reasonable assumptions, Real cannot assure readers that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this press release, and Real assumes no obligation to update or revise them to reflect new events or circumstances, except as required by law.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release, and the OTCQX has neither approved nor disapproved the contents of this press release.

SOURCE The Real Brokerage Inc.

Related Links
http://www.joinreal.com

The Real Brokerage Inc. Broadens Its Tech- Powered Real Estate Brokerage to Hawaii under the Leadership of Starr Kealaluhi

NEWS PROVIDED BY
The Real Brokerage Inc.
Mar 23, 2021, 07:30 ET

TORONTO and NEW YORK, March 23, 2021 /PRNewswire/ -- The Real Brokerage Inc. (Real) (TSXV: REAX) (OTCQX: REAXF), a national, technology-powered real estate brokerage, today announced the launch of business in the state of Hawaii, with primary markets on the islands of Maui, Hawaii, Oahu & Kauai.

Starr Kealaluhi will serve as the State Managing Broker. Born on the island of Oahu and raised on the island of Maui, Starr moved to the Big Island in 1995 and has specialized in residential sales on the east side of Hawaii island. She has closed over 800 transactions during her 25-year career.

Starr Kealaluhi will serve as the State Managing Broker for Real in Hawaii.

I joined Real for the very supportive agent atmosphere, along with the mission of 'Work Hard, Be Kind.'

An islander at heart, she enjoys the laid-back island lifestyle and believes that owning real estate in Hawaii is like owning a piece of heaven on earth.

"I love the community. I joined Real for the very supportive agent atmosphere, along with the mission of 'Work Hard, Be Kind,'" said Kealaluhi.

Rene Sands, who has prior experience as a state broker managing over 480 agents, is leading the growth for Real on the island of Maui.

"As inventory tightens in Hawaii, listings and sales will be much more competitive. This is where Real will be beneficial to agents and their business, as it offers agents the opportunity to diversify by building a network of agents nationwide and additional financial opportunities through revenue share and equity," Sands said.

"Starr and Sands bring the local expertise, as well as the collaborative, customer-focused perspective that is driving Real's growth in the United States," said Real co-founder and CEO Tamir Poleg.

Contact:
Lynda Radosevich
917-922-7020

About Real

Real (www.joinreal.com) is a technology-powered real estate brokerage operating in 27 U.S. states and the District of Columbia. Real is on a mission to make agents' lives better, creating financial opportunities for agents through higher commission splits, best-in-class technology, revenue sharing and equity incentives.

Forward-looking Information

This press release contains forward-looking information within the meaning of applicable Canadian securities laws. Forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "expect", "likely" and "intend" and statements that an event or result "may", "will", "should", "could" or "might" occur or be achieved and other similar expressions. These statements reflect management's current beliefs and are based on information currently available to management as at the date hereof. Forward-looking information in this press release includes, without limiting the foregoing, Information relating to Real's future growth plans and strategy, and eligibility of agents to receive performance-based or equity incentives as part of Real's incentive program.

Forward-looking information is based on assumptions that may prove to be incorrect, including but not limited to Real's business objectives, expected growth, results of operations, performance, business projects and opportunities and financial results. Real considers these assumptions to be reasonable in the circumstances. However, forward-looking information is subject to known and unknown risks, uncertainties and other factors that could cause actual results, performance or achievements to differ materially from those expressed or implied in the forward-looking information. These factors should be carefully considered and readers should not place undue reliance on the forward-looking statements. Although the forward-looking statements contained in this press release are based upon what management believes to be reasonable assumptions, Real cannot assure readers that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this press release, and Real assumes no obligation to update or revise them to reflect new events or circumstances, except as required by law.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release, and the OTCQX has neither approved nor disapproved the contents of this press release.

SOURCE The Real Brokerage Inc.

The Real Brokerage Inc. Announces Restricted Share Unit Grant

NEWS PROVIDED BY
The Real Brokerage Inc.
Apr 05, 2021, 09:03 ET

TORONTO and NEW YORK, April 5, 2021 /PRNewswire/ -- The Real Brokerage Inc. ("**Real**") (TSXV: REAX) (OTCQX: REAXF), a national, technology powered real estate brokerage in the United States, today announced that it has granted restricted share units ("**RSUs**") under Real's restricted share unit plan (the "**RSU Plan**") which was approved by shareholders on August 20, 2020.

Real granted an aggregate of 6,371 RSUs to certain senior officers of Real. The RSUs will vest over a three-year period and in accordance with the RSU Plan.

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SOURCE The Real Brokerage Inc.

Related Links
https://www.joinreal.com

The Real Brokerage Inc. Announces that it Expects Q1 Revenue Growth of 217% to $9.3 Million; 82% Agent Growth to 1,895 Agents; Value of Closed Transactions Growth of 234% to $374 Million

NEWS PROVIDED BY
The Real Brokerage Inc.
Apr 15, 2021, 07:30 ET

TORONTO and NEW YORK, April 15, 2021 /PRNewswire/ -- The Real Brokerage Inc. (TSXV: REAX) (OTCQX: REAXF) ("Real"), a national, technology-powered real estate brokerage in the United States of America (U.S.), announced its preliminary unaudited financial results and business highlights for fiscal Q1 ended March 31, 2021.

Financial highlights

Q1 2021 revenue of $9.3 million represented an increase of 217% from $2.9 million in Q1 2020.

- Q1 2021 revenue of $9.3 million, an increase of 217% from $2.9 million in Q1 2020;
- Real's network grew to 1,895 agents at the end of Q1 2021, an increase of 82% from 1,043 agents at the end of Q1 2020;
- The value of closed transactions grew to $374 million in Q1 2021, an increase of 234% from $112 million in Q1 2020.

CEO Comments

"These preliminary results reflect the extraordinary momentum Real has experienced since we began trading on the TSX Venture Exchange in June 2020 and the OTCQX in August 2020," said Tamir Poleg, co-founder and CEO of Real. "An increasing number of agents and teams are joining Real to enjoy better commission splits, innovative technology, revenue sharing, flexibility and an attractive agent stock incentive plan. Agent growth, in turn, is driving the accelerated growth of our business."

This preliminary unaudited financial information is delivered in advance of Real's interim financial statements and related management's discussion and analysis for the period ended March 31, 2021 that are expected to be filed on Tuesday, May 11, 2021 and will be available on Real's SEDAR profile at www.sedar.com.

About Real

Real (www.joinreal.com) is a technology-powered real estate brokerage operating in 27 U.S. states and the District of Columbia. Real is building the brokerage of the future, together with agents and their clients. Real creates financial opportunities for agents through better commission splits, best-in-class technology, revenue sharing and equity incentives.

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Forward-looking Information

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Forward-looking information in this press release includes, without limiting the foregoing, Real's preliminary financial results and operating results for the quarter ended March 31, 2021, the pace of Real's growth, continued investment in the acquisition and retention of agents, development and refinement of proprietary technology for agents and clients and expectations regarding the overall U.S. residential real estate market, and the business and strategic plans of the Company.

Forward-looking information is based on assumptions that may prove to be incorrect, including but not limited to Real's business objectives, expected growth, results of operations, performance, business projects and opportunities and financial results. Real considers these assumptions to be reasonable in the circumstances. However, forward-looking information is subject to known and unknown risks, uncertainties and other factors that could cause actual results, performance or achievements to differ materially from those expressed or implied in the forward-looking information. These factors should be carefully considered and readers should not place undue reliance on the forward-looking statements. Although the forward-looking statements contained in this press release are based upon what management believes to be reasonable assumptions, Real cannot assure readers that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this press release, and Real assumes no obligation to update or revise them to reflect new events or circumstances, except as required by law.

Preliminary Financial Metrics

The preliminary results set forth above are based on an initial review of Real's operating and financial results for the quarter ended March 31, 2021 and are subject to change. Final reported results could differ from these preliminary results following the completion of quarter end accounting procedures, final adjustments and other developments arising between now and the time that Real's financial results are finalized, and such changes could be material. Real's independent auditor, Brightman Almagor Zohar & Co. (A Firm in the Deloitte Global Network), has not audited, reviewed or performed any procedures with respect to the accompanying preliminary financial results and other data, and accordingly does not express an opinion or any other form of assurance with respect thereto. The preliminary results have been prepared by, and are the responsibility of, Real's management, and were approved by management on April 14, 2021. Real's actual consolidated financial statements for such period may result in material changes to the financial metrics summarized in this press release (including by any one financial metric, or all of the financial metrics, being below or above the figures indicated) as a result of the completion of normal quarter end accounting procedures and adjustments, and - 3 - also what one might expect to be in the final consolidated financial statements based on the financial metrics summarized in this press release. Although Real believes the expectations reflected in this press release are based upon reasonable assumptions, there can be no assurance that actual results will not differ materially from these expectations.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release, and the OTCQX has neither approved nor disapproved the contents of this press release.

SOURCE The Real Brokerage Inc.

The Real Brokerage Inc. Announces Results of Annual Meeting

NEWS PROVIDED BY
The Real Brokerage Inc.
Apr 20, 2021, 16:00 ET

TORONTO and NEW YORK, April 20, 2021 /PRNewswire/ -- The Real Brokerage Inc. (Real) (TSXV: REAX) (OTCQX: REAXF), a national, technology powered real estate brokerage in the United States, announced that at the annual meeting of Real's shareholders held on April 20, 2021, the shareholders elected Tamir Poleg, Guy Gamzu, Larry Klane, Laurence Rose, Atul Malhotra Jr. and Vikki Bartholomae to Real's board of directors.

Bartholomae, who joined Real's board for the first time, most recently served on Real's advisory board. She is a recognized leader in the real estate industry who served as chief of agent success at Side and president of eXp Realty. Bartholomae has also worked as team leader and real estate agent throughout her career with Tarbell Realtors, Disney Vacation Development and Keller Williams.

"Vikki already has proven herself as a valued partner on Real's advisory board, where she ensures that our agents' voice is represented," said Real co-founder and CEO Tamir Poleg. "I am honored to welcome her to the board of directors where she'll help us nurture and grow our ongoing commitment to agents."

The shareholders passed all other motions at the meeting, including fixing the number of directors at six and approving Brightman Almagor Zohar & Co (a firm in the Deloitte Global Network) as auditors.

About The Real Brokerage Inc.
The Real Brokerage Inc. (Real) (www.joinreal.com) is a technology-powered real estate brokerage operating in 27 U.S. states and the District of Columbia. Real is on a mission to make agents' lives better, creating financial opportunities for agents through higher commission splits, best-in-class technology, revenue sharing and equity incentives.

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Forward-looking information is based on assumptions that may prove to be incorrect, including but not limited to Real's business objectives, expected growth, results of operations, performance, business projects and opportunities and financial results. Real considers these assumptions to be reasonable in the circumstances. However, forward-looking information is subject to known and unknown risks, uncertainties and other factors that could cause actual results, performance or achievements to differ materially from those expressed or implied in the forward-looking information. These factors should be carefully considered and readers should not place undue reliance on the forward-looking statements. Although the forward-looking statements contained in this press release are based upon what management believes to be reasonable assumptions, Real cannot assure readers that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this press release, and Real assumes no obligation to update or revise them to reflect new events or circumstances, except as required by law.

Contact: Lynda Radosevich, 917-922-7020, lynda@therealbrokerage.com

SOURCE The Real Brokerage Inc.

Related Links
https://www.joinreal.com

The Real Brokerage Inc. Announces Application to List on Nasdaq

NEWS PROVIDED BY
The Real Brokerage Inc.
Apr 22, 2021, 08:13 ET

TORONTO and NEW YORK, April 22, 2021 /PRNewswire/ -- The Real Brokerage Inc. ("**Real**") (TSXV: REAX) (OTCQX: REAXF), a national, technology-powered real estate company in the United States, today announced that it has applied to list its common shares on the Nasdaq Capital Market ("**Nasdaq**").

In advance of an anticipated listing on Nasdaq, Real will file a Form 40-F Registration Statement with the United States Securities and Exchange Commission (the "**SEC**"). The listing of Real's shares on Nasdaq remains subject to the approval of Nasdaq and the satisfaction of all applicable listing and regulatory requirements, including meeting the necessary share price requirements and the SEC declaring the Form 40-F Registration Statement effective. Real will continue to maintain the listing of its common shares on the TSX Venture Exchange under the trading symbol "REAX". Real also will continue to maintain listing its common shares on the OTCQX under the trading symbol "REAXF" until listed on Nasdaq.

About Real
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917-922-7020

Forward-Looking Information

This press release contains "forward-looking information" and "forward-looking statements" within the meaning of applicable securities laws (collectively referred to herein as "forward- looking information"). All statements contained herein that are not clearly historical in nature may constitute forward-looking information. In some cases, forward-looking information can be identified by words or phrases such as "may", "will", "expect", "likely", "should", "would", "plan", "anticipate", "intend", "potential", "proposed", "estimate", "believe" or the negative of these terms, or other similar words, expressions and grammatical variations thereof, or statements that certain events or conditions "may" or "will" happen, or by discussions of strategy. The forward-looking information contained herein includes, without limitation, statements with respect to the timing, receipt of regulatory approval for, and listing of Real's common shares on the Nasdaq Capital Market and the filing of a Form 40-F Registration Statement with the United States Securities and Exchange Commission, and statements regarding the business and strategic plans of Real.

By their nature, forward-looking information is subject to inherent risks and uncertainties that may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, that assumptions may not be correct and that objectives, strategic goals and priorities will not be achieved. A variety of factors, including known and unknown risks, many of which are beyond our control, could cause actual results to differ materially from the forward-looking information in this press release including, without limitation: Real's inability to comply with all NASDAQ listing requirements including meeting the necessary share price threshold for a minimum of 90 trading days and meeting the stockholders' equity requirements, the possibility that the SEC will not bring Real's Form 40-F registration statement effective, Real's ability to comply with applicable governmental regulations including all applicable food safety laws and regulations; impacts to the business and operations of Real due to the COVID-19 epidemic; a limited operating history, the ability of Real to access capital to meet future financing needs; Real's reliance on management and key personnel; competition; changes in consumer trends; foreign currency fluctuations; and general economic, market or business conditions. Additional risk factors can also be found in Real's continuous disclosure documents which have been filed on SEDAR and can be accessed at www.sedar.com. Readers are cautioned to consider these and other factors, uncertainties and potential events carefully and not to put undue reliance on forward-looking information. The forward-looking information contained herein is made as of the date of this press release and is based on the beliefs, estimates, expectations and opinions of management on the date such forward-looking information is made. Real undertakes no obligation to update or revise any forward-looking information, whether as a result of new information, estimates or opinions, future events or results or otherwise or to explain any material difference between subsequent actual events and such forward-looking information, except as required by applicable law.

SOURCE The Real Brokerage Inc.

Related Links
http://www.joinreal.com

The Real Brokerage Inc. Surpasses the 2,000 Real Estate Agent Milestone

NEWS PROVIDED BY
The Real Brokerage Inc.
Apr 23, 2021, 07:47 ET

TORONTO and NEW YORK, April 23, 2021 /PRNewswire/ -- The Real Brokerage Inc. ("Real") (TSXV: REAX) (OTCQX: REAXF), a national, technology powered real estate brokerage in the United States, today announced it has surpassed the milestone of 2,000 real estate agents in its national network. This represents a 90 percent growth in Real's agent count since April 2020.

In the past 12 months, Real has commenced trading its common shares on the TSX Venture Exchange and OTCQX Best Market, launched an agent stock incentive plan, and broadened its brokerage operations to 27 states including the recently added states of Alaska, Ohio, Utah, Oklahoma, Wisconsin, Kansas and Hawaii. The company is focused on building a new model of national real estate brokerage that dispenses with franchise fees and brick-and-mortar offices and provides agents with an attractive commission structure, innovative tools and technology and additional financial opportunities.

We are thrilled that our mission is making an impact and attracting an increasing number of amazing agents to Real.

"We believe that trusted real estate agents are central to home buyers and sellers as they navigate one of the most complex and stressful transactions in their lives," said Tamir Poleg, CEO and co- founder of Real. "That is why Real is focused on supporting agents with financial opportunities, technology and an open and transparent culture that helps them build the future together with their clients. We are thrilled that this mission is making an impact and attracting an increasing number of amazing agents to Real."

About Real

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Forward-Looking Information

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Forward-looking information in this press release includes, without limiting the foregoing, information relating to the growth of Real agents, agent incentives and commissions, and the business and strategic plans of Real.

Forward-looking information is based on assumptions that may prove to be incorrect, including but not limited to Real's business objectives, expected growth, results of operations, performance, business projects and opportunities and financial results. Real considers these assumptions to be reasonable in the circumstances. However, forward-looking information is subject to known and unknown risks, uncertainties and other factors that could cause actual results, performance or achievements to differ materially from those expressed or implied in the forward-looking information. These factors should be carefully considered and readers should not place undue reliance on the forward-looking statements. Although the forward-looking statements contained in this press release are based upon what management believes to be reasonable assumptions, Real cannot assure readers that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this press release, and Real assumes no obligation to update or revise them to reflect new events or circumstances, except as required by law.

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SOURCE The Real Brokerage Inc.

Related Links
https://www.joinreal.com

The Real Brokerage Inc. Opens in Oregon

NEWS PROVIDED BY
The Real Brokerage Inc.
Apr 27, 2021, 07:52 ET

TORONTO and NEW YORK, April 27, 2021 /PRNewswire/ -- The Real Brokerage Inc. ("**Real**") (TSXV: REAX) (OTCQX: REAXF), a national, technology powered real estate brokerage in the United States, announced its launch of business in Oregon with the appointment of Portland-based real estate broker Erin Primrose as Real's principal broker in Oregon.

Primrose was born and raised in Oregon and is a second-generation real estate agent who brings to Real 20 years of collective experience in commercial and residential real estate sales, brokerage operations and marketing. One of her most notable achievements is 80 percent of her business comes from repeat and referral clients.

"I enjoy serving my clients through challenging situations, working my marketing and staging magic to make a home shine and making every person feel as if they are my only client," said Primrose. "As a technology devotee who appreciates a high-quality human experience, I have found my home at Real, a company that focuses on what truly matters: an exceptional real estate experience for both buyers and sellers."

Primrose served as board president of the Multnomah Village Business Association and enjoys cooking, the outdoors and simple adventures.

"Erin's enthusiasm, expertise and appreciation for the importance of both technology and relationships will contribute to Real's growth in the United States," said Real co-founder and CEO Tamir Poleg.

About Real
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Contact Information

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SOURCE The Real Brokerage Inc.

The Real Brokerage Inc. to Host First Quarter 2021 Earnings Conference Call

NEWS PROVIDED BY
The Real Brokerage Inc.
Apr 29, 2021, 07:30 ET

TORONTO and NEW YORK, April 29, 2021 /PRNewswire/ -- The Real Brokerage Inc. ("Real") (TSXV: REAX) (OTCQX: REAXF), a national, technology powered real estate brokerage in the United States, will release its first quarter 2021 financial results on Tuesday, May 11, 2021 before the open of market trading, followed by a conference call at 11:00 a.m. EST.

Details of the conference call are listed below:

Date: May 11, 2021
Time: 11:00 a.m. EST*
Dial-in Number: 877-407-0727| International: 201-689-8048
Webcast: https://www.webcaster4.com/Webcast/Page/2699/41103
Replay Number: 877-481-4010; International: 919-882-2331
Passcode: 41103
Webcast Replay: https://www.webcaster4.com/Webcast/Page/2699/41103

The conference call will include a question and answer session. Participants are encouraged to dial in 5 to 10 minutes before the beginning of the conference call.

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SOURCE The Real Brokerage Inc.

The Real Brokerage Inc. Opens Nevada in Collaboration with Top Las Vegas Group

NEWS PROVIDED BY
The Real Brokerage Inc.
May 05, 2021, 07:50 ET

TORONTO and NEW YORK, May 5, 2021 /CNW/ -- The Real Brokerage Inc. ("Real") (TSXV: REAX) (OTCQX: REAXF), a technology-powered real estate brokerage operating in 29 states, announced its expansion to Nevada in collaboration with Love Local Real Estate, a Nevada real estate group which in 2020 completed over 1,000 transactions and $300 million in closed-home sales in the greater Las Vegas area.

Real, which offers attractive commission splits, best-in-class technology, revenue sharing and equity incentives for agents, is expecting to add over 100 new agents to its growing network through the collaboration. The brokerage has also announced the appointment of Bryan Jones as Nevada managing broker and Sean Mulcahy as Nevada growth leader.

Real is the future model of the real estate business for agents and customers.

Love Local Real Estate was founded in 2016 by partners Joe Herrera and Taylor Prince, who formerly ran an independent brokerage office together. They built it into a 130-agent brokerage, including independent agents and their own team, the Joe Taylor Group.

"We see the market continuing to grow over the next couple of years as people look for an opportunity to live in an amazing community with an affordable state income tax," said Taylor Prince. "The agents we work with are highly skilled in helping homebuyers find great deals even in a hot market."

Love Local Real Estate decided to join Real based on a value proposition that extends beyond individual transactions. Real offers agents an equity stake in the company through its agent stock incentive plans.

"We saw in Real an opportunity to take average agents and teach them how to build wealth through ownership in company stock and revenue sharing," said Herrera. "Now, as we attract agents to Real, it will be about becoming business partners with them in the larger Real community."

As managing broker for Real in Nevada, Bryan Jones will leverage 22 years of real estate experience, including over 13 years at Coldwell Banker, to support agents. He was named "rookie of the year" in 1998 and has launched a charitable giving program called "Bryan Gives Back." Jones donates a portion of the commission from every listing he sells to either the Wounded Warrior Project based in Jacksonville, Fl, or the Juvenile Diabetes Research Fund. Throughout his career he has assisted thousands of clients and impacted hundreds of consumers through his efforts.

"Real is the future model of the real estate business for agents and customers. Agents and their clients want their information driven by technology and on a mobile device," said Jones. He added, "The agent incentives and commission structure are key reasons to join Real."

Sean Mulcahy, a graduate of the University of Nevada Las Vegas, has worked in real estate specialties including commercial development, residential development and residential sales ranging from luxury estates to distressed foreclosures.

"I joined Real because of the people," said Mulcahy. "I could go work at any real estate office if I just wanted to sell property. Real was built with a common goal in mind -- to make agents' lives better. We are building a company that will truly change the face of the industry."

"We are excited by the talent, expertise and enthusiasm of the team partnering with us to launch Real in Nevada," said Real co-founder and CEO Tamir Poleg. "Real offers a new way to support agents as they guide their clients through a life changing decision."

Last month, Real announced it had surpassed 2,000 agents across its national network, growing 90% since April 2020. Real also recently announced its expansion into Oregon as part of its continued growth across the United States.

About Real

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Forward-Looking Information

This press release contains forward-looking information within the meaning of applicable Canadian securities laws. Forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "expect", "likely" and "intend" and statements that an event or result "may", "will", "should", "could" or "might" occur or be achieved and other similar expressions. These statements reflect management's current beliefs and are based on information currently available to management as at the date hereof. Forward-looking information in this press release includes, without limiting the foregoing, information relating to Real's expansion to Nevada, agent incentives and commissions, the donations of Bryan Gives Back, Real's expected growth of agents in Nevada, and the business and strategic plans of Real.

Forward-looking information is based on assumptions that may prove to be incorrect, including but not limited to Real's business objectives, expected growth, results of operations, performance, business projects and opportunities and financial results. Real considers these assumptions to be reasonable in the circumstances. However, forward-looking information is subject to known and unknown risks, uncertainties and other factors that could cause actual results, performance or achievements to differ materially from those expressed or implied in the forward-looking information. These factors should be carefully considered and readers should not place undue reliance on the forward-looking statements. Although the forward-looking statements contained in this press release are based upon what management believes to be reasonable assumptions, Real cannot assure readers that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this press release, and Real assumes no obligation to update or revise them to reflect new events or circumstances, except as required by law.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release, and the OTCQX has neither approved nor disapproved the contents of this press release.

SOURCE The Real Brokerage Inc.

The Real Brokerage Inc.

(formerly ADL Ventures Inc.)

Interim Condensed Consolidated Financial Statements

March 31, 2021

(Unaudited)

Table of Contents

	Note	March 31, 2021	December 31, 2020
Assets			
Cash	13	20,527	21,226
Restricted cash	13	47	47
Trade receivables	12	727	117
Other receivables		24	221
Prepaid expenses and deposits		163	89
Current assets		21,488	21,700
Intangible assets	14	1,146	-
Property and equipment	14	28	14
Right-of-use assets	14	172	193
Non-current assets		1,346	207
Total assets		22,834	21,907
Liabilities			
Accounts payable and accrued liabilities		2,622	815
Other payables		70	64
Lease liabilities	17	85	85
Current liabilities		2,777	964
Lease liabilities	17	110	130
Accrued Stock-based Compensation		122	15
Warrants outstanding		224	-
Non-current liabilities		456	145
Total liabilities		3,233	1,109
Equity (Deficit)			
Share capital	15	-	-
Share premium	15	21,668	21,668
Stock-based compensation reserve		5,386	2,760
Deficit		(22,271)	(18,448)
Equity (Deficit) attributable to owners of the company		4,783	5,980
Non-controlling interests	15	14,818	14,818
Total liabilities and equity		22,834	21,907
Commitments and contingencies	19		
Subsequent events	21		

Approved by the Board of Directors on May 11, 2021:

"Tamir Poleg"
CEO

"Guy Gamzu"
Director

The notes are an integral part of these unaudited interim condensed consolidated financial statements.

	Note	Three months ended March 31, 2021	2020
Revenue	8	9,309	2,936
Cost of sales	9	8,072	2,552
Gross profit		1,237	384
General & Administrative expenses	9	4,080	784
Advertising expenses	9	443	152
Research and development expenses	9	427	23
Other income	15	-	-
Operating loss		(3,713)	(575)
Listing expenses	7	-	-
Finance (income) costs		110	(332)
Loss before tax		(3,823)	(243)
Income taxes		-	-
Net Loss		(3,823)	(243)
Total loss and comprehensive loss		(3,823)	(243)
Non operating expenses			
Taxes		-	-
Interest		110	(332)
Depreciation		42	27
Stock-based compensation		2,748	212
Adjusted EBITDA		(923)	(336)
Earnings per share			
Basic and diluted loss per share	10	(0.038)	(0.006)

The notes are an integral part of these unaudited interim condensed consolidated financial statements.

	Note	Share premium	Stock-based compensation reserve	Deficit	Non-controlling interests	Total equity (deficit)
Balance, at January 1, 2020		1,265	1,622	(14,827)	-	(11,940)
Total loss and comprehensive loss		-	-	(3,621)	-	(3,621)
Shares issued to former ADL shareholders	*5*	271	-	-	-	271
Increase in ADL shares and options	*5 (i)*	459	-	-	-	459
Shares issued via private placement	*5 (ii)*	1,588	-	-	-	1,588
Conversion of series A preferred shares	*5 (iv)*	11,750	-	-	-	11,750
Conversion of convertible debt	*5 (v)*	250	-	-	-	250
Exercise of stock options	*5 (vi)*	2	-	-	-	2
Shares issued via private placement	*13*	500	-	-	-	500
Shares issued via Pipe transaction	*6*	-	-	-	14,818	14,818
Warrants issued via Pipe transaction	*6*	5,583	-	-	-	5,583
Equity-settled share-based payment		-	1,138	-	-	1,138
Balance, at December 31, 2020		21,668	2,760	(18,448)	14,818	20,798
Balance, at January 1, 2021		**21,668**	**2,760**	**(18,448)**	**14,818**	**20,798**
Total loss and comprehensive loss		-	-	**(3,823)**	-	**(3,823)**
Equity-settled share-based payment		-	**2,748**	-	-	**2,748**
Balance, at March 31, 2021		**21,668**	**5,508**	**(22,271)**	**14,818**	**19,723**

The notes are an integral part of these unaudited interim condensed consolidated financial statements.

	Three months ended March 31,	
	2021	2020
Cash flows from operating activities		
Loss for the period	(3,823)	(243)
Adjustments for:		
– Depreciation	41	27
– Equity-settled share-based payment transactions	2,748	212
– Finance costs (income), net	110	(46)
	(924)	(50)
Changes in:		
– Trade receivables	(610)	(157)
– Other receivables	197	-
– Prepaid expenses and deposits	(74)	(1)
– Accounts payable and accrued liabilities	1,807	187
– Stock Compensation Payable	107	-
– Other payables	6	(10)
Net cash used in operating activities	509	(31)
Cash flows from investing activity		
Change in restricted cash	-	1
Purchase of property and equipment	(14)	-
Acquisition of subsidiaries consolidated for the first time (a)	(1,165)	-
Net cash used in investing activity	(1,179)	1
Cash flows from financing activities		
Payment of lease liabilities	(20)	(15)
Net cash provided by financing activities	(20)	(15)
Net change in cash and cash equivalents	(690)	(45)
Cash, beginning of period	21,226	96
Fluctuations in foreign currency	(9)	3
Cash, end of period	20,527	54

(a) ACQUISITION OF SUBSIDIARIES CONSOLIDATED FOR THE FIRST TIME, SEE ALSO NOTE 7

Assets and liabilities of the subsidiaries:

	Three months ended March 31,	
	2021	2020
Intangible assets	1,100	-
Warrants	65	-
Cash used in the acquisition of a subsidiary consolidated for the first time	1,165	-

See notes to consolidated financial statements

1. General information

The Real Brokerage Inc. (formerly ADL Ventures Inc.) ("Real" or the "Company") is a technology-powered real estate brokerage firm, licensed in over 28 states with over 1,895 agents. Real offers agents a mobile focused tech-platform to run their business, as well as attractive business terms and wealth building opportunities.

The consolidated operations of Real include the wholly-owned subsidiaries of Real Technology Broker Ltd., Real Pipe LLC incorporated on November 5, 2020 under the laws of the state of Delaware, Real Broker MA, LLC incorporated on July 11, 2018 under the laws of the state of Delaware, Real Broker CT, LLC incorporated on July 11, 2018 under the laws of the state of Delaware, Real Broker, LLC (formerly Realtyka, LLC) incorporated on October 17, 2014 under the laws of the state of Texas, and Real Brokerage Technologies Inc. (formerly Realtyka Tech Ltd.) incorporated on June 29, 2014 in Israel.

On June 5, 2020, the Company completed the "Qualifying Transaction" under *Policy 2.4 – Capital Pool* Companies of the TSX Venture Exchange ("TSX-V") (see Note 5). Real's common shares are listed on the TSX-V under the symbol REAX.

Effective June 17, 2020, the Company changed its registered office to 133 Richmond Street West, Suite 302, Toronto, Ontario M5H 2L3.

2. Basis of preparation

A. Statement of compliance

The unaudited interim condensed consolidated financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting as issued by the by the International Accounting Standards Board ("IASB"). The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the Company's annual audited consolidated financial statements for the year ended December 31, 2020. These unaudited interim condensed consolidated financial statements were authorized for issuance by the Board of Directors on March 11, 2021.

B. Functional and presentation currency

These unaudited interim condensed consolidated financial statements are presented in U.S. dollars. All amounts have been rounded to the nearest thousands of dollars, unless otherwise noted.

C. Significant judgments, estimates and assumptions

The preparation of Real's unaudited interim condensed consolidated financial statements require management to make judgments, estimates and assumptions that effect the amounts reported. In the process of applying Real's accounting policies, management was required to apply judgment in certain areas. Estimates and assumptions made by management are based on events and circumstances that existed at the unaudited interim condensed consolidated balance sheet date. Accordingly, actual results may differ from these estimates.

The significant judgments, estimates and assumptions in the preparation of the unaudited interim condensed consolidated financial statements are consistent with those followed in the preparation of the Company's annual consolidated financial statements for the years ended December 31, 2020 and 2019.

2. Basis of preparation (cont'd)

D. Basis for segmentation

In measuring its performance, the Company does not distinguish or group its operations on a geographical or on any other basis, and accordingly has a single reportable operating segment. Management has applied judgment by aggregating its operating segments into one single reportable segment for disclosure purposes. Such judgment considers the nature of the operations, and an expectation of operating segments within a reportable segment, which have similar long-term economic characteristics.

The Company's Chief Executive Officer is the chief operating decision maker, and regularly reviews operations and performance on an aggregated basis. The Company does not have any significant customers or any significant groups of customers.

3. Basis of consolidation

i. Subsidiaries

Subsidiaries are entities controlled by the Company. The Company 'controls' an entity when it is exposed to, or has the rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the interim condensed consolidated financial statements from the date on which control commences until the date on which control ceases.

ii. Transactions eliminated on consolidation

Intercompany balances and transactions, and any unrealized income and expenses arising from intercompany transactions, are eliminated. Unrealized losses are eliminated in the same way unrealized gains, but only to the extent there is no evidence of impairment.

4. Significant accounting policies

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the annual consolidated financial statements for the year ended December 31, 2020.

A. Changes in accounting policies

The Company monitors the potential changes proposed by the IASB and analyzes the effect that changes in the standards may have on its operations.

Standards issued but not yet effective up to the date of issuance of these consolidated financial statements are described below. This description is of the standards and interpretations issued that the Company reasonably expects to be applicable at a future date. The Company intends to adopt these standards when they become effective.

In January 2020 the IASB issued amendments to IAS 1 — Presentation of Financial Statements: Classification of Liabilities as Current or Non-Current to clarify how to classify debt and other liabilities as current or non-current, and in particular how to classify liabilities with an uncertain settlement rate and liabilities that may be settled by converting to equity. These amendments are effective on or after January 1, 2023. The Company does not expect any material impact from the adoption of these amendments.

4. Significant accounting policies (cont'd)

A. Changes in accounting policies (cont'd)

In May 2020 the IASB issued Annual Improvements to IFRSs 2018 - 2020 Cycle. The improvements have amended four standards with effective date January 1, 2022: i) IFRS 1 — First-time Adoption of International Financial Reporting Standards in relation to allowing a subsidiary to measure cumulative translation differences using amounts reported by its parent, ii) IFRS 9 — Financial Instruments in relation to which fees an entity includes when applying the '10 percent' test for derecognition of financial liabilities, iii) IAS 41 — Agriculture in relation to the exclusion of taxation cash flows when measuring the fair value of a biological asset, and iv) IFRS 16 — Leases in relation to an illustrative example of reimbursement for leasehold improvements. The Company does not expect any material impact from the adoption of these amendments.

In August 2020 the IASB issued a package of amendments to IFRS 9 – Financial Instruments, IAS 39 – Financial Instruments: Recognition and Measurement, IFRS 7 – Financial Instruments: Disclosures, IFRS 4 – Insurance Contracts and IFRS 16 – Leases in response to the ongoing reform of inter-bank offered rates (IBOR) and other interest rate benchmarks. The amendments are aimed at helping companies to provide investors with useful information about the effects of the reform on those companies' financial statements. These amendments complement amendments issued in 2019 and focus on the effects on financial statements when a company replaces the old interest rate benchmark with an alternative benchmark rate as a result of the reform. The new amendments relate to:

•changes to contractual cash flows – a company will not be required to derecognize or adjust the carrying amount of financial instruments for changes required by the interest rate benchmark reform, but will instead update the effective interest rate to reflect the change to the alternative benchmark rate;

•hedge accounting – a company will not have to discontinue its hedge accounting solely because it makes changes required by the interest rate benchmark reform if the hedge meets other hedge accounting criteria; and
•disclosures – a company will be required to disclose information about new risks that arise from the interest rate benchmark reform and how the company manages the transition to alternative benchmark rates.

These amendments are effective on or after January 1, 2021, with early adoption permitted.

In February 2021 the IASB issued amendments to IAS 1 — Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies which require companies to disclose their material accounting policy information rather than their significant accounting policies and provide guidance on how to apply the concept of materiality to accounting policy disclosures. These amendments are effective on or after January 1, 2023. The Company does not expect any material impact from the adoption of these amendments.

In February 2021 the IASB issued amendments to IAS 8 — Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates which clarify how companies should distinguish changes in accounting policies from changes in accounting estimates. These amendments are effective on or after January 1, 2023. The Company does not expect any material impact from the adoption of these amendments.

Business Combinations

Business combinations are accounted for under the purchase method. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 'Business Combinations', are recognized at their fair value at the acquisition date, except certain assets and liabilities required to be measured as per the applicable standards.

4. Significant accounting policies (cont'd)

A. Changes in accounting policies (cont'd)

Business Combinations (cont'd)

Excess of fair value of purchase consideration and the acquisition date non-controlling interest over the acquisition date fair value of identifiable assets acquired and liabilities assumed is recognized as goodwill. Goodwill arising on acquisitions is reviewed for impairment annually. Where the fair values of the identifiable assets and liabilities exceed the cost of acquisition, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the surplus is credited to the consolidated statements of profit or loss in the period of acquisition.

Where it is not possible to complete the determination of fair values by the date on which the first post-acquisition financial statements are approved, a provisional assessment of fair value is made and any adjustments required to those provisional fair values are finalized within 12 months of the acquisition date.

Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognized to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed twelve months from the acquisition date.

Any non-controlling interest in an acquiree is measured at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets. This accounting choice is made on a transaction-by-transaction basis.

Acquisition expenses are charged to consolidated statements of profit or loss.

If the Group acquires a group of assets in a company that does not constitute a business in accordance with IFRS 3, the cost of the acquired group of assets is allocated to the individual identifiable assets acquired based on their relative fair value.

5. Qualifying transaction

A. ADL Ventures Inc.

On June 5, 2020, Real completed its transaction with ADL Ventures Inc. ("ADL"), a capital pool company, incorporated under the Business Corporations Act (British Columbia), which constitutes the Company's "Qualifying Transaction" under Policy 2.4 – Capital Pool Companies of the TSX-V.

On March 5, 2020, Real and ADL entered into a securities exchange agreement (the "Securities Exchange Agreement") pursuant to which ADL would acquire all the issued and outstanding securities of Real as part of the Qualifying Transaction. The Securities Exchange Agreement provided for the acquisition of all the issued and outstanding common shares, warrants and options of Real by the Company in exchange for common shares and options of ADL. As a result of the Qualifying Transaction, ADL became the sole beneficial owner of all the outstanding securities of Real.

5. Qualifying transaction (cont'd)

A. ADL Ventures Inc. (cont'd)

	Note	Number of options	Number of shares	Value
ADL shares and options issued and outstanding		1,200	9,100	271
Effect of transaction with ADL:				
Increase in value of ADL shares and options issued to shareholders of ADL	*i*	-	-	459
Shares issued pursuant to private placement	*ii*	-	20,758	1,588
Shares and options issued to shareholders of Real	*iii*	5,671	42,144	1,187
Conversion of Real series A preferred shares	*iv*	-	68,460	11,750
Conversion of Real convertible debt	*v*	-	3,295	250
ADL options exercised	*vi*	-	675	2
Effect of transaction on share capital		6,871	144,432	15,507

B. Transactions

i. Increase in value of ADL shares and options issued to shareholders of ADL

Accounting for the transaction under IFRS 2, *Share-based payment arrangements*, the fair value of the existing shares and options of ADL are increased by $459. (see Note C for further details).

ii. Shares issued pursuant to private placement

Concurrent with the Qualifying Transaction, Real raised $1,588 by way of a private placement of subscription receipts (the "Private Placement"). Each subscription receipt was exercisable into one common share, automatically, and upon completion of the Qualifying Transaction.

The common shares issued pursuant to the Private Placement are subject to a six-month regulatory hold period from the date of closing the Private placement, comprised of a four-month regulatory hold plus a two-month hold period based on contractual lock-up commitments of the subscribers.

iii. Shares and options issued to shareholders of Real

Real had 41,797 ordinary stock and 5,671 options exchanged for ADL common stock on a basis of 1 to 1.0083.

iv. Conversion of Real series A preferred shares

Immediately prior to the Qualifying Transaction, Real series A preferred shares were converted on a one-for-one basis into Real ordinary stock and exchanged for ADL common stock on a basis of 1 to 1.0083.

v. Conversion of convertible debt

On February 17, 2020 and March 31, 2020, Real raised an aggregate of $250 by way of convertible loan, with the principal amounts converted immediately prior to the closing of the transaction at a price per share of $0.07587 which was in turn exchanged into common shares on a basis of 1 to 1.0083.

5. Qualifying transaction (cont'd)

B. Transactions (cont'd)

vi. ADL options exercised

Subsequent to the transaction, 675 of the ADL options were exercised into common shares.

6. Pipe Transaction

On December 2, 2020, the Company completed an equity investment by private equity funds indirectly controlled by Insight Holdings Group, LLC (the "Insight Partners") for gross proceeds of USD $20 million (approximately CAD $26.28 million)

Insight Partners were issued (i) 17,286,842 preferred units (the "Preferred Units") of a newly and wholly owned subsidiary of the Company, Real PIPE, LLC formed under the laws of the State of Delaware, that are exchangeable into the same number of common shares of the Company ("Common Shares") and (ii) 17,286,842 share purchase warrants of the Company that are exercisable for Common Shares (the "Warrants"). Each Warrant entitles the holder to subscribe and purchase one Common Share at an exercise price of CAD $1.9 for a period of 5 years, subject to certain acceleration terms.

The preferred shares and warrants were classified as equity. The preferred shares are presented as non- controlling interest in the unaudited interim consolidated financial statements.

7. RealtyCrunch Acquisition

On January 11, 2021 Real completed the acquisition of the business assets and intellectual property of RealtyCrunch Inc. ("RealtyCrunch"). The transaction was settled in cash for an aggregate purchase price of USD $1.1 million plus 184,275 Common Share purchase warrants of Real. Each warrant is exercisable into one Common Share at a price of CAD $1.36 for a period of four years. In connection with this acquisition, Real also granted 2,440,773 stock options ("Options"), which vest over a 4-year period. The Company has determined the acquisition meets the definition of business combinations within the scope of IFRS 3, Business Combination and has 12 months from the date of purchase to determine the purchase price allocation among the assets purchased and any amounts attributable to goodwill. The expense related to the acquisition is recognized as depreciation expense.

The following table summarizes the estimated provisional fair values of the acquired assets and assumed liabilities, with reference to the acquisition as of the acquisition date:

Net assets excluding cash acquired	-
Intangible assets	1,165
Goodwill	-
Total assets acquired. net of acquired cash	1,165

The estimated fair values of the tangible and intangible assets referring to acquisition which were made in 2021 are provisional and are based on information that was available as of the acquisition date to estimate the fair value of these amounts. The Company's management believes the information provides a reasonable basis for estimating the fair values of these amounts but is waiting for additional information necessary to finalize those fair values. Therefore, provisional measurements of fair value reflected are subject to change. The Company expects to finalize the tangible and intangible assets valuation and complete the acquisition accounting as soon as practicable but not later than the measurement period.

8. Revenue

	Three months ended March 31,	
	2021	2020
Major service lines		
Commissions	9,259	2,917
Subscriptions	-	13
Other	50	6
Total revenue	9,309	2,936
Timing of revenue recognition		
Products transferred at a point in time	9,259	2,917
Services transferred over time	-	13
Revenue from contracts with customers	9,259	2,930
Other revenue	50	6
Total revenue	9,309	2,936

9. Expenses by nature

	Three months ended March 31,	
	2021	2020
Cost of sales	8,072	2,552
Operating Expenses		
Compensation expenses	3,307	127
Consultancy	573	191
Advertising expenses	443	152
Administrative expenses	500	422
Dues and subscriptions	81	20
Depreciation	42	27
Travel	2	26
Occupancy costs	2	(6)
Total cost of sales, selling expenses, administrative expenses	13,022	3,511

10. Loss per share

A. Weighted average number of ordinary shares

	Three months ended March 31,	
In thousands of shares	**2021**	**2020**
Issued ordinary shares at beginning of period	**101,847**	41,797
Weighted-average number of ordinary shares at March 31,	**101,847**	41,797
Earnings per share		
Basic and diluted loss per share	**(0.038)**	(0.006)

B. Diluted earnings per share

Basic loss per share is calculated by dividing the loss for the period attributable to the equity holders of the Company by the weighted average number of shares outstanding during the period. The potential shares issued through equity settled transactions were considered to be anti-dilutive as they would have decreased the loss per share and were therefore excluded from the calculation of diluted loss per share.

11. Share-based payment arrangements

A. Description of share-based payment arrangements

i. Stock option plan (equity-settled)

On January 20, 2016, the Company established a stock-option plan that entitles key management personnel and employees to purchase shares in the Company. Under the stock-option plan, holders of vested options are entitled to purchase shares based for the exercise price as determined at grant date.

The key terms and conditions related to the grants under these programs are as follows; all options are to be settled by physical delivery of shares.

B. Measurement of fair values

Grant date	Number of instruments	Vesting conditions	Contractual life of options
Balance Dec 31, 2020	**13,813**		
On January, 2021	2,441	25% immediately, 25% on first anniversary, then Quarterly Vesting	10 years
On January, 2021	165	25% on first anniversary, then quarterly vesting	10 years
On January, 2021	1,670	Quarterly Vesting	10 years
On January, 2021	241	25% on first anniversary, then quarterly vesting	10 years
On March, 2021	114	Quarterly Vesting	10 years
31-Mar-21	18,444		

11. Share-based payment arrangements (cont'd)

B. Measurement of fair values (cont'd)

The fair value of the stock-options has been measured using the Black-Scholes formula which was also used to determine the Company's share value. Service and non-market performance conditions attached to the arrangements were not considered in measuring fair value. The inputs used in the measurement of the fair values at the grant and measurement date were as follows:

	March 31, 2021	December 31, 2020
Share price	$1.91	$0.92
Exercise price	$1.11 to $2.50	$0.10 to $1.76
Expected volatility (weighted-average)	65.0%	65.0% to 66.1%
Expected life (weighted-average)	10 years	3 to 10 years
Expected dividends	–%	–%
Risk-free interest rate (based on government bonds)	1.93%	1.38%

Expected volatility has been based on an evaluation of based on a comparable companies' historical volatility of the share price, particularly over the historical period commensurate with the expected term.

C. Reconciliation of outstanding stock-options

	Number of options March 31, 2021	Weighted-average exercise price March 31, 2020	Number of options December 31, 2020	Weighted-average exercise price December 31, 2020
Outstanding at beginning of period (year)	12,851	$ 0.70	5,791	$ 0.13
Granted	4,631	$ 1.12	8,022	$ 0.37
Exercised	(998)	$ (0.31)	(962)	$ (0.10)
Outstanding at end of period (year)	16,484	$ 0.81	12,851	$ 0.27
Exerciseable at period (year)	4,400		3,103	

The stock-options outstanding as at March 31, 2021 had an average exercise price of $0.81 (December 31, 2020: $0.27) and a weighted-average contractual life of 10 years (December 31, 2020: 3.6 years).

ii. Restricted share unit plan

On September 21, 2020, the Company established a restricted share unit plan. Under the plan agents are eligible to receive restricted share units ("RSU's") that vest as common shares of Real. The RSU's are earned in recognition of personal performance and ability to attract agents to Real. The expense recognized in relation to these awards for the three months ended March 31, 2020 was $60 and is recorded as a stock-based compensation expense on the unaudited interim consolidated statements of loss and comprehensive loss.

11. Share-based payment arrangements (cont'd)

ii. Restricted share unit plan (cont'd)

RSU's purchased in the agent stock purchase plan are based on a percentage of commission withheld to purchase stock. These RSUs are expensed in the period in which those awards are deemed to be earned with a corresponding increase in liability. All awards under this plan are subject to a 12-month holding period. The liability will be classified into equity after the 12-month holding period has passed. The company will grant an additional 25% of shares as a bonus after the 12-month holding period has passed. The bonus RSUs are expensed in the period the original award is deemed earned with a corresponding increase in stock-based compensation reserve.

RSU's awarded for personal performance and the ability to attract agents earned in recognition of personal performance conditions and are subject to a 3-year vesting period. The company recognizes this expense during the applicable vesting period based upon the best available estimate of the number of equity instruments expected to vest with a corresponding increase in stock-based compensation reserve.

12. Trade receivables

	March 31, 2021	December 31, 2020
Trade receivables	727	117
Less: allowance for trade receivables	-	-
Trade receivables	727	117

Information about the Company's exposure to credit and market risks, and impairment losses for trade receivables is included in Note 18(ii).

13. Cash

	March 31, 2021	December 31, 2020
Bank balances	20,527	21,226
Restricted cash	47	47
Cash	20,574	21,273

14. Property and equipment, intangible assets and right-of-use assets

Reconciliation of carrying amount

	Intangible assets	Right-of-use assets	Computer equipment	Furniture and equipment	Total
Cost					
Balance at December 31, 2020	-	502	33	69	**604**
Additions	1,165	-	15	-	**1,180**
Balance at March 31, 2021	**1,165**	**502**	**48**	**69**	**1,784**
Accumulated depreciation					
Balance at December 31, 2020		309	24	64	**397**
Depreciation	19	21	1	-	**41**
Balance at March 31, 2021	**19**	**330**	**25**	**64**	**438**
Carrying amounts					
At December 31, 2020	-	193	9	5	**207**
At March 31, 2021	**1,146**	**172**	**23**	**5**	**1,346**

15. Capital and reserves

A. Share capital and share premium

All ordinary shares rank equally with regards to the Company's residual assets. Preference shareholders participate only to the extent of the face value of the shares.

		Share Premium		Non-controlling interests		Non-redeemable preference shares	
	Note	March 31, 2021	December 31, 2020	March 31, 2021	December 31, 2020	March 31, 2021	December 31, 2020
In issue at beginning of period (year)		**21,668**	1,265	**14,818**	-	-	11,750
Issued for cash		-	-	-	-	-	-
Conversion	*5*	-	11,750	-	-	-	(11,750)
Private placement	*5*	-	1,588	-	-	-	-
ADL shares	*5*	-	730	-	-	-	-
Conversion of convertible debt	*5*	-	250	-	-	-	-
Exercise of stock options	*5*	-	2	-	-	-	-
Private placement	*13*	-	500	-	-	-	-
Warrants issued via Pipe transaction	*6*	-	5,583	-	-	-	-
Shares issued via Pipe transaction	*6*	-	-	-	14,818	-	-
In issue at end of period (year) – fully paid		**21,668**	21,668	**14,818**	14,818	-	-
Authorized (thousands of shares)		**Unlimited**	123,000	**Unlimited**	123,000	**66,000**	66,000

i. Preferred shares

During 2019, the Company completed a private placement of 7,143 series A preferred shares at a price of $0.14. The aggregate fair value of preferred shares issued were $1,000.

During 2020, the Company completed the Qualifying Transaction (Note 5) whereby the 68,460 series A preferred shares were converted into common shares.

15. Capital and reserves (cont'd)

A. Share capital and share premium (cont'd)

ii. Non- controlling interests

During 2020, the Company completed the Pipe Transaction whereby 17,286,842 of preferred units at an aggregate price of CAD $1.52 per Preferred Unit were issued along with Warrants. The Preferred Units may be exchanged into common shares on a one-for-one basis. In connection with the Pipe Transaction, the Company also issued 17,286,842 warrants. Each Warrant will be exercisable into one common share at a price of CAD $1.90.

iii. Private Placement

During 2020, Real raised an aggregate amount of $500 ($665 CAD) less customary expenses) by way of a non-brokered private placement of 1,900 common shares at a price of $0.35 CAD per common share. The common shares issued in the non-brokered private placement will be subject to a four-month hold period and a six-month contractual lock-up.

16. Capital management

Real defines capital as its equity. The Company's objective when managing capital is:

– to safeguard the ability to continue as a going concern, so that it can continue to provide returns to shareholders and benefits to other stakeholders; and
– to provide adequate return to shareholders by obtaining an appropriate amount of financing commensurate with the level of risk.

The Company sets the amount of capital in proportion to the risk. Real manages its capital structure and adjusts considering changes in economic conditions and the characteristic risk of underlying assets. To maintain or adjust the capital structure, the Company may repurchase shares, return capital to shareholders, issue new shares or sell asset to reduce debt.

Real's objective is met by retaining adequate liquidity to provide the possibility that cash flows from its assets will not be sufficient to meet operational, investing and financing requirements. There have been no changes to the Company's capital management policies during the periods ended March 31, 2021 and 2020.

17. Lease liabilities

	March 31, 2021	December 31, 2020
Maturity analysis – contractual undiscounted cash flows		
Less than one year	86	90
One year to five years	116	181
Total undiscounted lease liabilities	202	271
Lease liabilities included in the balance sheet	195	215
Current	85	85
Non-current	110	130

18. Financial instruments – Fair values and risk management

The Company has exposure to the following risks arising from financial instruments:

– credit risk (see (ii));

– liquidity risk (see (iii)); and

– market risk (see (iv)).

i. Risk management framework

The Company's activity exposes it to a variety of financial risks, including credit risk, liquidity risk and market risk. These financial risks are managed by the Company under policies to be set forth for approval by the Board of Directors. The principal financial risks are actively managed by the Company's finance department, within the policies and guidelines.

On an ongoing basis, the finance department actively monitors the market conditions, with a view of minimizing exposure of the Company to changing market factors, while at the same time limiting the funding costs of the Company.

The Company's audit committee oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers. The receivables are processed through an intermediary trustee, as part of the structure of every deal, which ensures collection on the close of a successful transaction. In order to mitigate the residual risk, the Company contracts exclusively with reputable and credit-worthy partners.

The carrying amount of financial assets and contract assets represents the maximum credit exposure.

Trade receivables and contract assets

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers other factors may influence the credit risk of the customer base, including the default risk associated with the industry and the country in which the customers operate.

The Company does not require collateral in respect to trade and other receivables. The Company does not have trade receivable and contract assets for which no loss allowance is recognized because of collateral.

As at March 31, 2021, the exposure to credit risk for trade receivables and contract asset by geographic region was as follows.

18. Financial instruments – Fair values and risk management (cont'd)

Trade receivables and contract assets (cont'd)

	March 31, 2021	December 31, 2020
US	727	117
Other regions	-	-
Balance sheet exposure	727	117

The Company uses an allowance matrix to measure the ECLs of trade receivables from individual customers, which comprise a very large number of small balances.

iii. Liquidity risk

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off. Roll rates are calculated separately for exposures in different segments based on the following common credit risk characteristics – geographic region, credit information about the customer and the type of home purchased.

Loss rates are based on actual credit loss experience. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historical data has been collected, compared to current conditions of the Company's view of economic conditions over the expected lives of the receivables.

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to maintaining liquidity is to ensure, as far as possible, that it will have sufficient cash and cash equivalents and other liquid assets to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

iv. Market risk

Market risk is the risk that changes in market prices – e.g. foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Currency risk

The Company is exposed to transactional foreign currency risk to the extent there is a mismatch between currencies in which purchases and receivables are denominated and the respective functional currencies of the Company. The currencies in which transactions are primarily denominated are US dollars and Israeli shekel.

18. Financial instruments – Fair values and risk management (cont'd)

Exposure to currency risk

Sensitivity analysis

A reasonably possible strengthening (weakening) of the US dollar or Israeli shekel against all other currencies in which the Company operates as at March 31, 2021 would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Average rate		Year-end spot rate	
	Strengthening	**Weakening**	**Strengthening**	**Weakening**
March 31, 2021				
ILS (- 5% movement)	**278**	**(278)**	**268**	**(268)**
December 31, 2020				
ILS (- 5% movement)	209	(209)	199	(199)

Foreign Currency Risk Management

The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilizing forward foreign exchange contracts.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows.

	Liabilities		Assets	
	March 31, 2021	**December 31, 2020**	**March 31, 2021**	**December 31, 2020**
ILS	**(70)**	(103)	**696**	863
CAD	**(53)**	(54)	**299**	300
Total Exposure	**(123)**	**(157)**	**995**	**1,163**

19. Commitments and contingencies

The Company may have various other contractual obligations in the normal course of operations. The Company is not contingently liable with respect to litigation, claims and environmental matters, including those that could result in mandatory damages or other relief. Any expected settlement of claims in excess of amounts recorded will be charged to profit or loss as and when such determination is made.

20. Related parties

Executive officers participate in the Company's stock option program (see Note 11(A)(i)). Furthermore, real estate agents of the Company are entitled to participate in the stock option program if they meet certain eligibility criteria. Directors or Officers of the Company control 20% of the voting shares of the Company.

	March 31, 2021	March 31, 2020
Salaries and benefits	271	108
Short-term employee benefits	-	2
Consultancy	90	16
Share-based payments	2,026	212
Compensation expenses related to Management	2,386	338

21. Subsequent events

A. Nasdaq listing application

On April 22, 2021, the Company announced its expected filing of Form 40-F Registration Statement with the United States Securities and Exchange Commission, in advance of an anticipated listing on the Nasdaq Capital Market. The listing of The Company's shares on Nasdaq remains subject to the approval of Nasdaq and the satisfaction of all applicable listing and regulatory requirements, including meeting the necessary share price requirements and the SEC declaring the Form 40-F Registration Statement effective. The Company will continue to maintain the listing of its common shares on the TSX Venture Exchange under the trading symbol "REAX". The Company also will continue to maintain listing its common shares on the OTCQX under the trading symbol "REAXF" until listed on Nasdaq.

The Real Brokerage Inc.

Management's Discussion and Analysis

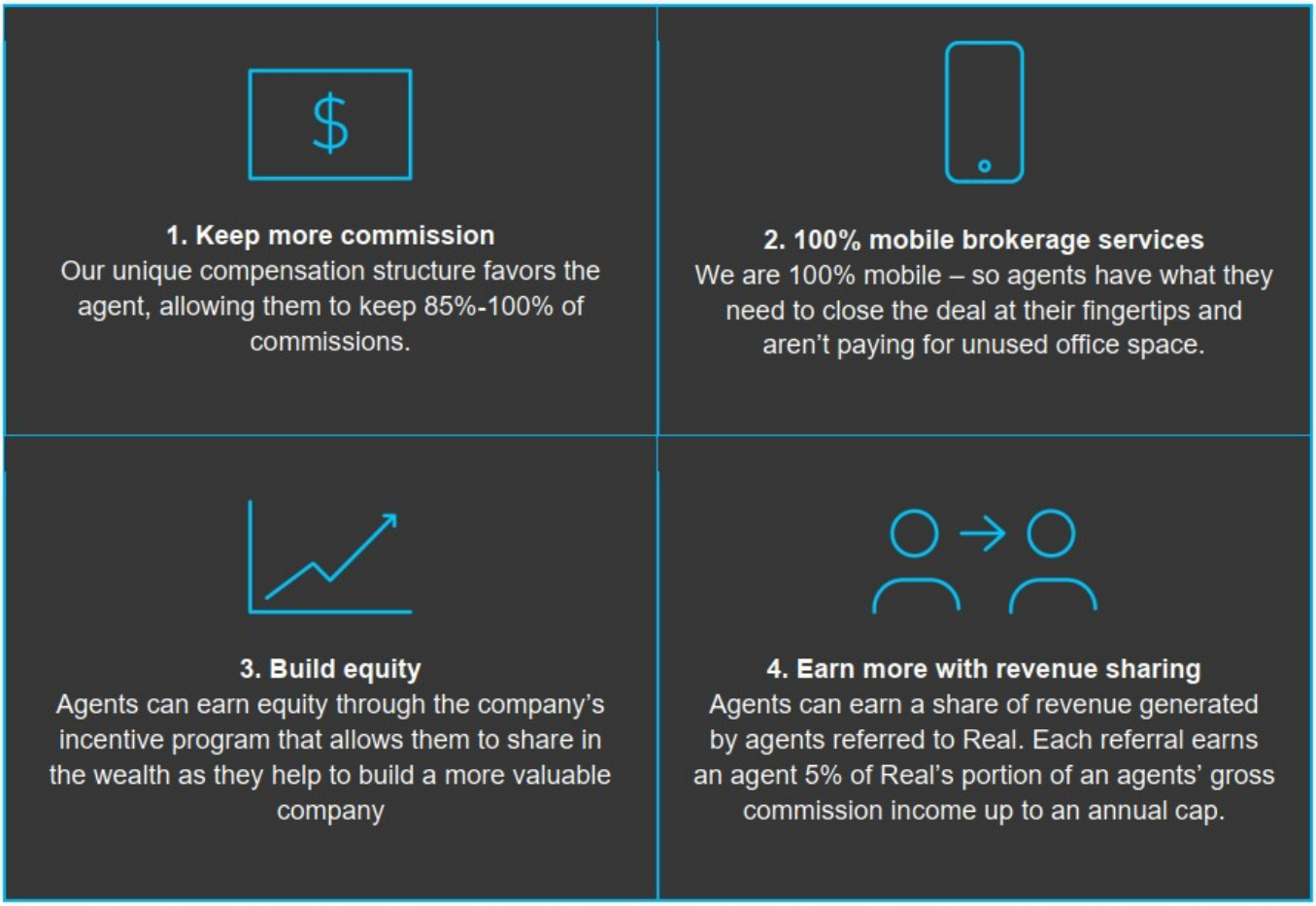
For the period ended March 31, 2021

May 11, 2021

Building Your Future, Together

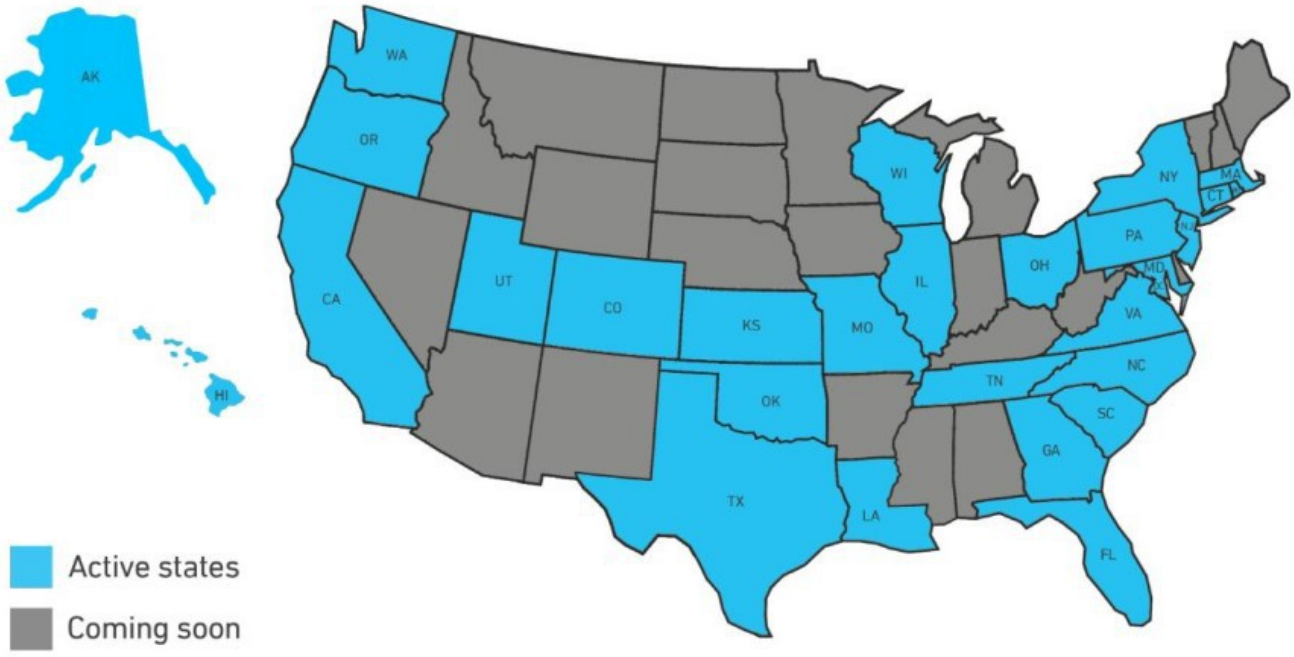
Real is a technology-powered real estate brokerage that is shaking up a $100B residential real estate brokerage industry with a new model that focuses on creating financial opportunity for agents. Because when you put agents first, you put clients first.

Real creates financial opportunities for agents in four key ways:



2021 Highlights

Real was founded in 2014 and is headquartered in Toronto and New York City. We provide brokerage services for the real estate market in the United States. At March 31, 2021, we were licensed in 27 states and the District of Columbia. Our fast-growing network of agents allows for strong relationship building, access to a nationwide referral network and seamless expansion opportunities.



1895	**28**	**$9.3M**	**$374M**
Agents, Q1 2021	States (27 and D.C.), Q1 2021	Revenue, 2021, Q1 2021	Value of sold homes, Q1 2021

Introduction

This Management's Discussion and Analysis ("**MD&A**") is provided to enable a reader to assess the results of operations and financial condition of The Real Brokerage Inc. (formerly ADL Ventures Inc.) ("**Real**" or the "**Company**"). for the period ended March 31, 2021 and 2020. This MD&A is dated May 11, 2021 and should be read in conjunction with the unaudited interim condensed financial statements and related notes for the period ended March 31, 2021 and 2020 ("**Financial Statements**"). Unless the context indicates otherwise, references to "Real", "the Company", "we", "us" and "our" in this MD&A refer to The Real Brokerage Inc. and its operations.

Forward-looking information

Certain information included in this MD&A contains forward-looking information within the meaning of applicable Canadian securities laws. This information includes, but is not limited to, statements made in Business Overview and Strategy, Results from Operations, and other statements concerning Real's objectives, its strategies to achieve those objectives, as well as statements with respect to management's beliefs, plans, estimates and intentions, and similar statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical facts. Forward-looking information generally can be identified by the use of forward-looking terminology such as "outlook", "objective", "may", "will", "would", "expect", "intend", "estimate", "anticipate", "believe", "should", "plan", "continue", or similar expressions suggesting future outcomes or events or the negative thereof. Such forward-looking information reflects management's current beliefs and is based on information currently available. All forward-looking information in this MD&A is qualified by the following cautionary statements.

Forward looking information necessarily involves known and unknown risks and uncertainties, which may be general or specific and which give rise to the possibility that expectations, forecasts, predictions, projections or conclusions will not prove to be accurate, assumptions may not be correct and objectives, strategic goals and priorities may not be achieved. A variety of factors, many of which are beyond Real's control, affect the operations, performance and results of the Company and its subsidiaries, and could call actual results to differ materially from current expectations of estimated or anticipated events or results.

Although Real believes that the expectations reflected in such forward-looking information are reasonable and represent the Company's projections, expectations and beliefs at this time, such information involves known and unknown risks and uncertainties which may cause the Company's actual performance and results in future periods to differ materially from any estimates or projections of future performance or results expressed or implied by such forward-looking information. See Risks and Uncertainties for further information. The reader is cautioned to consider these factors, uncertainties, and potential events carefully and not to put undue reliance on forward-looking information, as there can be no assurance that actual results will be consistent with such forward-looking information.

The forward-looking information included in this MD&A is made as of the date of this MD&A and should not be relied upon as representing Real's views as of any date subsequent to the date of this MD&A. Management undertakes no obligation, except as required by applicable law, to publicly update or revise any forward-looking information, whether as a result of new information, future events or otherwise.

Business overview and strategy

Real is a growing multistate technology-powered real estate brokerage in the United States. We focus our operations on development of technology that helps real estate agents perform better as well as building a scalable, efficient brokerage operation that is not dependent on a cost-heavy brick and mortar presence in the markets that we operate in.

Business overview and strategy (cont'd)

As a licensed real estate brokerage, our revenue is generated, primarily, by processing real estate transactions which entitle us to commissions. We pay a portion of our commission revenue to our agents and brokers.

Our strength is our ability to offer real estate agents a higher value, through a proprietary technology stack, at a lower cost, compared to other brokerages, while operating efficiently and scaling quickly.

Accelerated Growth

Following our listing on the TSX-V and the launch of our Agent Equity Program, we have entered into a period of growth, driven by an increase in the number of agents joining us on a monthly basis, as well as higher productivity of those newer cohorts. The beginning of the impact of that growth is reflected in our Q1 2021 revenue figures and we expect this trend to continue and accelerate in the following quarters.

Our non-brick and mortar based model is becoming increasingly desirable, especially given the impact of COVID-19 on agents and their needs for a platform that will enable them to work from anywhere, without being tied to a physical office.

Focus on Technology

The real estate industry has been very slow at adopting technology and real estate transactions remain notoriously difficult to manage. We believe there is an opportunity to create agent focused software products that will create a differentiation between Real and other brokerages. We also acknowledge that profitability in our industry is closely tied to the improvement of internal operations efficiency through automation and the ability to scale and expand rapidly.

Recent developments

RealtyCrunch Acquisition

On January 11, 2021, Real completed the acquisition of the business assets and intellectual property of RealtyCrunch Inc. ("**RealtyCrunch**"). The transaction was settled in cash for an aggregate purchase price of USD $1.1 million plus 184,275 common share purchase warrants of Real (each, a "**Warrant**"). Each Warrant is exercisable into one common share of Real (each, a **"Common Share**") at a price of CAD $1.36 for a period of four years. In connection with this acquisition, Real also granted 2,441stock options ("**Options**"), which vest over a 4-year period.

In connection with the RealtyCrunch transaction, Pritesh Damani joined Real as Chief Product Officer.

Expansion to additional states

Real expanded its brokerage to Hawaii, Kansas, Oklahoma, Utah, and Wisconsin in the first quarter of 2021.

Business Strategy

Revenue-share model

As the vast majority of real estate agents are independent contractors, we believe that it is our responsibility to create multiple revenue sources and improve financial opportunities for agents. Our attractive commission split coupled with the equity incentives for agents provide great opportunities. We are now offering agents the opportunity to earn revenue-share, paid out of Real's portion of commissions, for new agents that they personally refer to Real. The program launched in November 2019 is having a major impact on our agent count and revenue growth.

Business overview and strategy (cont'd)

Agent's experience

We focus on creating an unparalleled agent experience though development of a unique and comprehensive mobile focused platform. Our technology focuses on delivering agents an operating system for their business and assisting them with their marketing, productivity, support, education, transaction management and more.

Focus on teams

Real estate teams operate as "brokerages inside a brokerage". A team is typically formed by a high producing agent who attracts other agents to work with them and enjoy the lead flow and mentoring provided by the team leader. To attract teams, we enhanced our team offering to include the full benefits of revenue sharing and the equity program to allow brokers and agents a financial mechanism to build teams across geographical boundaries in any of the markets that we serve without incurring significant additional expense, oversight responsibility, or liability while preserving and enhancing the agents and brokers' personal brands. The growth in brokerage teams joining Real is having a positive impact, as reflected in first quarter revenue growth.

Tracking agent satisfaction

Agents' satisfaction is top-of-mind for Real and we use the Net Promoter Score® ("**NPS**") surveys for measurement and tracking. NPS is a measure of customer satisfaction and is measured on a scale between (100) and 100. An NPS above 50 is considered excellent. Real's fourth quarter NPS was 68, with agents expressing satisfaction with the business model, culture, technology, support and leadership. Areas of focus for continued improvement include agent training, more insight into payment and equity data, and a smoother mobile app experience.

Objectives

Real seeks to become one of the leading real estate brokerages in the United States. Using our proprietary technology, we look to provide agents with all the tools they need in order to manage and market their business and succeed. Real plans to accomplish this through: (i) proprietary integration of technology and tools focused on facilitating and improving tasks performed by agents. (ii) the offering of attractive business terms to agents and creation of multiple potential revenue streams for agents. (iii) providing excellent support and service to our agents, and (iv) the creation of a nationwide collaborative community of agents. Leveraging the engagement of real estate agents and home buyers and sellers, Real will seek to generate revenue through a variety of different channels.

Presentation of financial information and non-IFRS measures

Presentation of financial information

Unless otherwise specified herein, financial results, including historical comparatives, contained in this MD&A are based on Real's Financial Statements, which have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board ("**IASB**") and the interpretations of the IFRS Interpretations Committee. Unless otherwise specified, amounts are in U.S dollars and percentage changes are calculated using whole numbers.

Presentation of financial information and non-IFRS measures (cont'd)

Non-GAAP measures

In addition to the reported IFRS measures, industry practice is to evaluate entities giving consideration to certain non-GAAP performance measures, such as earnings before interest, taxes, depreciation and amortization ("**EBITDA**") or adjusted earnings before interest, taxes, depreciation and amortization ("**Adjusted EBITDA**").

Management believes that these measures are helpful to investors because they are measures that the Company uses to measure performance relative to other entities. In addition to IFRS results, these measures are also used internally to measure the operating performance of the Company.

These measures are not in accordance with GAAP and have no standardized definitions, and as such, our computations of these non-GAAP measures may not be comparable to measures by other reporting issuers. In addition, Real's method of calculating non-GAAP measures may differ from other reporting issuers, and accordingly, may not be comparable.

Earnings Before Interest, Taxes, Depreciation and Amortization

EBITDA is used as an alternative to net income because it excludes major non-cash items such as interest, taxes and amortization, which management considers non-operating in nature. A reconciliation of EBITDA to IFRS net income is presented under the section Results from Operations of this MD&A.

Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization

Adjusted EBITDA is used as an alternative to net income because it excludes major non-cash items such as amortization, interest, stock-based compensation, current and deferred income tax expenses and other items management considers non-operating in nature. A reconciliation of Adjusted EBITDA to IFRS net income is presented under section Results from Operations of this MD&A.

Results from operations

Select annual information

For the period ended March 31,	2021	2020	2019
Operating results			
Total revenues	**9,309**	2,936	4,795
Loss from continuing operations	**(3,823)**	(243)	(510)
Loss attributable to owners of the parent	**(3,823)**	(243)	(510)
Per share basis			
Basic and diluted loss per share	**(0.038)**	(0.006)	(0.012)

As at	*Note*	March 31, 2021	December 31, 2020	December 31, 2019
Total assets		**22,834**	21,907	408
Total liabilities	*(ii)*	**3,233**	1,109	598
Liabilities to total assets	*(i) (iii)*	**14%**	5%	147%
EBITDA	*(i) (iv)*	**(3,671)**	(3,390)	(1,531)
Adjusted EBITDA	*(i) (iv)*	**(923)**	(1,793)	(1,043)

(i) Represents a non-GAAP measure. Real's method for calculating non-GAAP measures may differ from other reporting issuers' methods and accordingly may not be comparable. For definitions and basis of presentation of Real's non-GAAP measures, refer to the non-GAAP measures section of this MD&A.

(ii) Total liabilities is defined as accounts payable and other financial liabilities, less preferred equity.

(iii) Liabilities to total assets is a non-GAAP measure and is calculated as total non-current liabilities divided by total assets.

(iv) EBITDA and Adjusted EBITDA is calculated on a trailing twelve month basis. Refer to non-GAAP measures section of this MD&A for further details.

For the period ended March 31, 2021, total revenues amounted to $9,309 compared to $2,936 for the period ended March 31, 2020, thus demonstrating that we are beginning to recognize the effects of the Company's growth. For the period ended March 31, 2019, the Company recognized a large commercial transaction which accounted for a significant portion of revenues, during the periods ended March 31, 2020 and March 31, 2021 all revenues were resulting from our core business activities. The increase in revenues is attributable to an increase in productive agents on our platform, as well as expanding the number of states in which we operate. We are continually investing in the acquisition of productive agents on our platform, which will further translate into a larger transaction volume closed by our agents.

Results from operations (cont'd)

A further breakdown in revenues generated during the year is included below:

	Three months ended March 31,	
	2021	2020
Major service lines		
Commissions	9,259	2,917
Subscriptions	-	13
Other	50	6
Total revenue	9,309	2,936
Timing of revenue recognition		
Products transferred at a point in time	9,259	2,917
Services transferred over time	-	13
Revenue from contracts with customers	9,259	2,930
Other revenue	50	6
Total revenue	9,309	2,936

A further breakdown in expenses during the year is included below:

	Three months ended March 31,	
	2021	2020
Cost of sales	8,072	2,552
Operating Expenses		
Compensation expenses	3,307	127
Consultancy	573	191
Advertising expenses	443	152
Administrative expenses	500	422
Dues and subscriptions	81	20
Depreciation	42	27
Travel	2	26
Occupancy costs	2	(6)
Total cost of sales, selling expenses, administrative expenses	13,022	3,511

We believe that growth can and should be balanced with profits and therefore plan and monitor spend responsibly to ensure we decrease our losses and work towards being EBITDA positive. Our loss as a percentage of total revenue was 39% for the period ended March 31, 2021 and 8% for the period ended March 31, 2020. This was primarily due to an increase in compensation expenses as a result of stock-based compensation issued in accordance with the acquisition of RealtyCrunch.

For the period ended March 31,	2021	2020
Revenues	9,309	2,936
Cost of sales	8,072	2,552
Cost of sales as a percentage of revenues	87%	87%

Results from operations (cont'd)

The total cost of sales for the period ended March 31, 2021 was $8,072 in comparison to $2,552 for the period ended March 31, 2020. We typically pay our agents 85% of the gross commission earned on every real estate transaction and, as the total revenue increases, the total commission to agents' expense increases accordingly.

Our compensation expenses for the period ended March 31, 2021 was $3,307 in comparison to $127 for the period ended March 31, 2020. The increase in compensation expenses were primarily due to an increase in stock-based compensation expense of $2,748 in comparison to $212 for the period ended March 31, 2020 as well as an increase in salaries and benefits. In January 2021, Real granted 2,441 Options in connection with the acquisition of RealtyCrunch, the amortized expense for which, comprises the majority of the increase in stock-based incentive compensation. The salaries and benefits expenses for the period end March 31, 2021 were $559 in comparison to $73 for the period ended December 31, 2020.

At March 31, 2021, Real had 34 full time employees which was an increase from 11 full time employees at March 31, 2020. The increase is attributable to Real's commitment to better service its agents and to the growth and expansion of the Company.

Our consultancy expenses for the period ended March 31, 2021 was $573 in comparison to $191 for the period ended March 31, 2020. The increase in consultancy expenses was primarily due to legal and professional fees.

Our advertising expenses for the period ended March 31, 2021 was $443 compared to $152 for the period ended March 31, 2020 due to our efforts to attract agents. This increase is primarily comprised of $243 in revenue share paid to agents, as part of our revenue share model. Agents earn revenue-share for new agents that they personally refer to Real. We track the performance of each of our traditional advertising channels and constantly optimize spending. We advertise on multiple online platforms and websites such as Google Adwords, Facebook and Indeed.

Summary of Quarterly Information

The following table provides selected quarterly financial information for the five most recently completed financial quarters ended March 31, 2021. This information reflects all adjustments of a recurring nature that are, in the opinion of management, necessary to present a fair statement of the results of operations for the periods presented. Quarter-to-quarter comparisons of financial results are not necessarily meaningful and should not be relied upon as an indication of future performance.

	2021	2020			
	Q1	Q4	Q3	Q2	Q1
Revenue	9,309	7,090	3,939	2,594	2,936
Cost of sales	8,072	6,342	3,198	2,313	2,552
Cost of sales	8,072	6,342	3,198	2,313	2,552
Gross profit	1,237	748	741	281	383
Administrative expenses	4,080	1,774	988	482	784
Advertising expenses	443	268	88	209	152
Research and development expenses	427	76	75	49	23
Other income	-	(167)	-	(1)	-
Operating loss	(3,713)	(1,203)	(410)	(458)	(575)
Listing expenses	-	32	-	803	-
Finance costs (income). Net	110	111	12	15	(322)
Loss before tax	(3,823)	(1,346)	(422)	(1,276)	(243)
Income taxes	-	-	-		
Net Loss	(3,823)	(1,346)	(422)	(1,276)	(243)
Total loss and comprehensive loss	(3,823)	(1,346)	(422)	(1,276)	(243)
Non operating expenses					
Taxes	-	-	-	-	-
Interest	110	111	12	15	(332)
Depreciation	42	32	10	22	27
Stock-based compensation	2,748	802	139	(15)	212
Listing expenses	-	-	-	459	-
Adjusted EBITDA	(923)	(401)	(261)	(795)	(336)
Earnings per share					
Basic and diluted loss per share	(0.038)	(0.009)	(0.003)	(0.008)	(0.006)

Quarterly trends and risks

Our quarterly results are dependent on the economic conditions within the markets for which we operate. The Company's revenue and income can experience considerable variations from quarter to quarter and year to year due to factors beyond the Company's control. The business is affected by the overall conditions of the real estate market, influenced primarily by economic growth, interest rates, unemployment, inventory, and mortgage rate volatility. The Company's revenue from a real estate transaction is recorded only when a real estate transaction has been closed. Consequently, the timing of revenue recognition can materially affect quarterly results.

Summary of Quarterly Information (cont'd)

Quarterly trends and risks (cont'd)

For the first half of 2020, the COVID-19 pandemic adversely affected the Company's business and business worldwide. However, the overall impact of COVID-19 on the Company was not significant and the Company demonstrated growth on the second half of the year. The Company further recognized the effects of growth in the first quarter of 2021 and is positioned to continue to expand.

Liquidity and capital resources

Liquidity and cash management

Our primary sources of liquidity are cash and cash flows from operations as well as cash raised from investors in exchange for issuance of shares. The Company expects to meet all of its obligations and other commitments as they become due. The Company has various financing sources to fund operations and will continue to fund working capital needs through these sources along with cash flows generated from operating activities.

At March 31, 2021, our cash totaled $20,527. Cash is comprised of financial instruments with an original maturity of 90 days or less from the date of purchase, primarily money market funds. We hold no marketable securities.

Financing activities

We believe that our existing balances of cash and cash flows expected to be generated from our operations will be sufficient to satisfy our operating requirements for at least the next three years.

Our future capital requirements will depend on many factors, including our level of investment in technology, our rate of growth into new markets, and potential mergers and acquisitions. Our capital requirements may be affected by factors that we cannot control such as the residential real estate market, interest rates, and other monetary and fiscal policy changes to the manner in which we currently operate. To support and achieve our future growth plans, however, we may need or seek to obtain additional funding through equity or debt financing.

Liquidity and capital resources (cont'd)

Financing activities (cont'd)

The following table presents liquidity as a percentage of debt:

As at,	March 31, 2021	December 31, 2020
Cash	20,527	21,226
Restricted cash	47	47
Other receivables	24	221
Liquidity	20,598	21,494
Loans and borrowings	-	-
Debt	-	-
Liquidity expressed as a percentage of debt	0%	0%

The Company's debt obligations can be funded by cash, restricted cash, other receivables and revenues from operations.

Contractual obligations

As at March 31, 2021 the Company had no guarantees, leases, off-balance sheet arrangements other than those noted in our results from operations. We have a lease for our New York office that expires on June 30, 2023. The monthly rent expense per the lease for the period ended March 31, 2021 is $7 per month.

Capital management framework

Real defines capital as the aggregate of deficit and equity. The Company's capital management framework is designed to maintain a level of capital that funds the operations and business strategies and builds long-term shareholder value.

The Company's objective is to manage its capital structure in such a way as to diversify its funding sources, while minimizing its funding costs and risks. For 2021, Real expects to be able to satisfy all of its financing requirements through use of some or all of the following: cash on hand, cash generated by operations and through the public and private offerings of equity securities.

Other metrics

Earnings before interest, taxes, depreciation and amortization

For the period ended March 31,	**2021**	**2020**	**2019**
Total revenues	**9,309**	2,936	4,795
Net loss and comprehensive loss	**(3,823)**	(243)	(510)
Add (deduct):			
– Taxes	**-**	-	-
– Interest	**110**	(332)	2
– Depreciation	**42**	27	1
EBITDA	**(3,671)**	(548)	(507)

Adjusted earnings before interest, taxes, depreciation and amortization

For the period ended March 31,	**2021**	**2020**	**2019**
Net loss and comprehensive loss	**(3,823)**	(243)	(510)
Add (deduct):			
– Taxes	**-**	-	-
– Interest	**110**	(332)	2
– Depreciation	**42**	27	1
– Stock-based compensation	**2,748**	212	122
Adjusted EBITDA	**(923)**	(336)	(385)

Significant accounting policies and other explanatory information

The preparation of the Financial Statements requires management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses and the related disclosures as of the date of the Company's annual condensed consolidated financial statements. Actual results may differ from estimates under different assumptions and conditions.

Significant judgments include the timing of revenue recognition and consolidation adjustments. Our significant judgments have been reviewed and approved by the Audit Committee for completeness of disclosure on what management believes would be relevant and useful to investors in interpreting the amounts and disclosures in our annual condensed consolidated financial statements.

Changes in accounting policies

*Amendments to IAS 1, Presentation of Financial Statements ("**IAS 1**") and IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors ("**IAS 8**") – Definition of Material*

In October 2018, the IASB issued amendments to IAS 1 and IAS 8 to align the definition of "material" across the standards and to clarify certain aspects of the definition. The new definition states that, "Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." These amendments are effective January 1, 2020. The amendments to the definition of material and have not had a significant impact on the Company's Financial Statements.

Future changes in accounting policies

The Company monitors the potential changes proposed by the IASB and analyzes the effect that changes in the standards may have on the Company's operations. Standards issued but not yet effective up to the date of issuance of the Financial Statements are described below. This description is of the standards and interpretations issued that the Company reasonably expects to be applicable at a future date. The Company intends to adopt these standards when they become effective.

In January 2020, the IASB issued amendments to IAS 1 — Presentation of Financial Statements: Classification of Liabilities as Current or Non-Current to clarify how to classify debt and other liabilities as current or non-current, and in particular how to classify liabilities with an uncertain settlement rate and liabilities that may be settled by converting to equity. These amendments are effective on or after January 1, 2023. The Company does not expect any material impact from the adoption of these amendments.

In May 2020, the IASB issued Annual Improvements to IFRSs 2018 - 2020 Cycle. The improvements have amended four standards with effective date January 1, 2022: i) IFRS 1 — First-time Adoption of International Financial Reporting Standards in relation to allowing a subsidiary to measure cumulative translation differences using amounts reported by its parent, ii) IFRS 9 — Financial Instruments in relation to which fees an entity includes when applying the "10 percent" test for derecognition of financial liabilities, iii) IAS 41 — Agriculture in relation to the exclusion of taxation cash flows when measuring the fair value of a biological asset, and iv) IFRS 16 — Leases in relation to an illustrative example of reimbursement for leasehold improvements. The Company does not expect any material impact from the adoption of these amendments.

In August 2020, the IASB issued a package of amendments to IFRS 9 – Financial Instruments, IAS 39 – Financial Instruments: Recognition and Measurement, IFRS 7 – Financial Instruments: Disclosures, IFRS 4 – Insurance Contracts and IFRS 16 – Leases in response to the ongoing reform of inter-bank offered rates (IBOR) and other interest rate benchmarks. The amendments are aimed at helping companies to provide investors with useful information about the effects of the reform on those companies' financial statements. These amendments complement amendments issued in 2019 and focus on the effects on financial statements when a company replaces the old interest rate benchmark with an alternative benchmark rate as a result of the reform. The new amendments relate to:

- *changes to contractual cash flows* – a company will not be required to derecognize or adjust the carrying amount of financial instruments for changes required by the interest rate benchmark reform, but will instead update the effective interest rate to reflect the change to the alternative benchmark rate;
- *hedge accounting* – a company will not have to discontinue its hedge accounting solely because it makes changes required by the interest rate benchmark reform if the hedge meets other hedge accounting criteria; and
- *disclosures* – a company will be required to disclose information about new risks that arise from the interest rate benchmark reform and how the company manages the transition to alternative benchmark rates.

Future changes in accounting policies (cont'd)

These amendments are effective on or after January 1, 2021, with early adoption permitted.

In February 2021, the IASB issued amendments to IAS 1 — Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies which require companies to disclose their material accounting policy information rather than their significant accounting policies and provide guidance on how to apply the concept of materiality to accounting policy disclosures. These amendments are effective on or after January 1, 2023. The Company does not expect any material impact from the adoption of these amendments.

In February 2021, the IASB issued amendments to IAS 8 — Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates which clarify how companies should distinguish changes in accounting policies from changes in accounting estimates. These amendments are effective on or after January 1, 2023. The Company does not expect any material impact from the adoption of these amendments.

Disclosure controls and procedures and internal control over financial reporting

Disclosure controls and procedures

The Company's Chief Executive Officer (the "**CEO**") and Chief Financial Officer (the "**CFO**") have designed or caused to design controls to provide reasonable assurance that: (i) material information relating to the Company is made known to management by others, particularly during the period in which the annual and interim filings are being prepared; and (ii) information required to be disclosed by the Company in its annual and interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time frame specified in the securities legislation.

Based on the evaluations, the CEO and CFO have concluded that the Company's disclosure controls and procedures were adequate and effective.

Internal control over financial reporting

Real has established internal controls over financial reporting to provide reasonable assurance regarding the reliability of the Company's financial reporting and the preparation of the Financial Statements for external purposes in accordance with IFRS. Management, including the Company's CEO and CFO, have determined that as at March 31, 2021 and 2020, the internal controls over financial reporting were effective.

Inherent limitations

It should be noted that in a control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Given the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues, including instances of fraud, if any, have been detected. These inherent limitations include, among other items: (i) that management's assumptions and judgments could ultimately prove to be incorrect under varying conditions and circumstances; (ii) the impact of any undetected errors; and (iii) controls may be circumvented by unauthorized acts of individuals, by collusion of two or more people, or by management override.

Disclosure controls and procedures and internal control over financial reporting (cont'd)

Key management compensation

The Company's key management personnel are comprised of the CEO, the CFO, Chief Product Officer, the Chief Strategy Officer, and other members of the executive team. Key management personnel compensation for the period consistent of the following:

	March 31, 2021	March 31, 2020
Salaries and benefits	271	108
Short-term employee benefits	-	2
Consultancy	90	16
Share-based payments	2,026	212
Compensation expenses related to Management	2,386	338

Executive officers participate in the Company's incentive program. Furthermore, real estate agents of the Company are entitled to participate in the incentive program if they meet certain eligibility criteria.

Market conditions and industry trends

General

Throughout the period ended March 31, 2021, home buyers leveraged interest rates to purchase homes at an increased level. The prospective buyers have lost purchasing power due to rising interest rates, which climbed to 3.45% at the end of March 2021, compared to 2.76% at the start of the year however, buyers are still actively in the market. Although mortgage rates have continued to rise, the general consensus among economists is to expect rates to remain below 4% in 2021.

According to the National Association of Realtors ("**NAR**") housing statistics, existing home sales rose 12.3% from March 2020, but declined 3.7% from February 2021 across all regions. Pending home sales increased as of March 2021 by 23.3% from a year ago. The impressive increase in pending home sales is encouraging as pending home sales are a forward- looking indicator of future home sales.

Inventory

Low mortgage rates fueling increased demand have been causing inventory shortages in many housing markets, creating a challenging environment for home buyers. According to the NAR, inventory of existing homes for sale in the U.S. was 1.07 million as of March 2021 (down 28.2% from one year ago) and represented in 2.1 months of supply. We believe that level of supply represents an extreme seller's market, making the high producing, listing focused teams that Real is attracting even more meaningful. Subsequently, NAR indicated the need for new home construction due to the high demand of homes and the record-low inventory levels.

Market conditions and industry trends (cont'd)

Mortgage rates

According to the NAR, mortgage rates on commitments for 30-year, conventional, fixed-rate mortgages averaged 3.17% for March 2021, compared to 3.5% for March of 2020. Some lenders have increased their rates to account for the risk and overall financial uncertainty. Low mortgage rates are pushing buyers into the market as well as driving an increase in refinance applications.

Risks and uncertainties

There are a number of risk factors that could cause future results to differ materially from those described herein. The risks and uncertainties described herein are not the only ones the Company faces. Additional risks and uncertainties, including those that the Company does not know about as of the date of this MD&A, or that it currently deems immaterial, may also adversely affect the Company's business. If any of the following risks actually occur, the Company's business may be harmed, and its financial condition and the results of operation may suffer significantly.

Limited operating history

Our limited operating history makes it difficult for potential investors to evaluate our business or prospective operations. As a young company, we are subject to all the risks inherent in a developing organization, financing, expenditures, complications and delays inherent in a new business. Investors should evaluate an investment in us in light of the uncertainties encountered by developing companies in a competitive and evolving environment. Our business is dependent upon the implementation of our business plan. We may not be successful in implementing such plan and cannot guarantee that, if implemented, we will ultimately be able to attain profitability.

Rapid Growth

Real may not be able to scale its business quickly enough to meet the growing needs of its affiliated real estate professionals and if Real is not able to grow efficiently, its operating results could be harmed. As Real adds new real estate professionals, Real will need to devote additional financial and human resources to improving its internal systems, integrating with third- party systems, and maintaining infrastructure performance. In addition, Real will need to appropriately scale its internal business systems and our services organization, including support of our affiliated real estate professionals as its demographics expand over time. Any failure of or delay in these efforts could cause impaired system performance and reduced real estate professional satisfaction. These issues could reduce the attractiveness of Real to existing real estate professionals who might leave Real and result in decreased attraction of new real estate professionals and reduced revenue and financial results.

Additional financing

From time to time, Real may need additional financing to operate or grow its business. The ability to continue as a going concern may be dependent upon raising additional capital from time-to-time to fund operations. Real's ability to obtain additional financing, if and when required, will depend on investor and lender willingness, its operating performance, the condition of the capital markets and other facts, and Real cannot assure anyone that additional financing will be available to it on favorable terms when required, or at all. If Real raises additional funds through the issuance of equity, equity-linked or debt securities, those securities may have rights, preferences or privileges senior to the rights of its current stock, and its existing stockholders may experience dilution. If Real is unable to obtain adequate financing or financing on terms satisfactory to it when it requires it, its ability to continue to support the operation or growth of its business could be significantly impaired and its operating results may be harmed.

Risks and uncertainties (cont'd)

Reliance on United States real estate market

Real's financial performance is closely tied to the strength of the residential real estate market in the United States, which is cyclical in nature and typically is affected by changes in conditions that are beyond Real's control. Macroeconomic conditions that could adversely impact the growth of the real estate market and have a material adverse effect on our business include, but are not limited to, economic slowdown or recession, increased unemployment, increased energy costs, reductions in the availability of credit or higher interest rates, increased costs of obtaining mortgages, an increase in foreclosure activity, inflation, disruptions in capital markets, declines in the stock market, adverse tax policies or changes in other regulations, lower consumer confidence, lower wage and salary levels, or the public perception that any of these events may occur. Unfavorable general economic conditions in the United States or other markets Real enters and operates within could negatively affect the affordability of, and consumer demand for, our services which could have a material adverse effect on our business and profitability. In addition, federal and state governments, agencies and government-sponsored entities could take actions that result in unforeseen consequences to the real estate market or that otherwise could negatively impact Real's business.

Regulation of United States real estate market

Real operates in the real estate industry which is a heavily regulated industry subject to complex, federal, state, provincial and local laws and regulations and third-party organizations' regulations, policies and bylaws. Generally, the laws, rules and regulations that apply to Real's business practices include, without limitation, the Real Estate Settlement Procedures Act ("**RESPA**"), the Fair Housing Act, the Dodd-Frank Act, and federal advertising and other laws, as well as comparable state statutes; rules of trade organizations such as NAR, local Multiple Listing Services, and state and local Associations of Realtors, licensing requirements and related obligations that could arise from our business practices relating to the provision of services other than real estate brokerage services; privacy regulations relating to our use of personal information collected from the registered users of our websites; laws relating to the use and publication of information through the Internet; and state real estate brokerage licensing requirements, as well as statutory due diligence, disclosure, record keeping and standard-of-care obligations relating to these licenses.

Additionally, the Dodd-Frank Act contains the Mortgage Reform and Anti-Predatory Lending Act ("**Mortgage Act**"), which imposes a number of additional requirements on lenders and servicers of residential mortgage loans, by amending certain existing provisions and adding new sections to RESPA and other federal laws. It also broadly prohibits unfair, deceptive or abusive acts or practices, and knowingly or recklessly providing substantial assistance to a covered person in violation of that prohibition. The penalties for noncompliance with these laws are also significantly increased by the Mortgage Act, which could lead to an increase in lawsuits against mortgage lenders and servicers.

Maintaining legal compliance is challenging and increases business costs due to resources required to continually monitor business practices for compliance with applicable laws, rules and regulations, and to monitor changes in the applicable laws themselves.

Real may not become aware of all the laws, rules and regulations that govern its business, or be able to comply with all of them, given the rate of regulatory changes, ambiguities in regulations, contradictions in regulations between jurisdictions, and the difficulties in achieving both company-wide and region-specific knowledge and compliance.

Risks and uncertainties (cont'd)

Success of the platform

Our business strategy is dependent on our ability to develop platforms and features to attract new businesses and users, while retaining existing ones. Staffing changes, changes in user behavior, changes in agent growth rate or development of competing platforms may cause users to switch to alternative platforms or decrease their use of our platform. There is no guarantee that agents will use these features and we may fail to generate revenue. Additionally, any of the following events may cause decreased use of our platform:

- emergence of competing platforms and applications with novel technologies;
- inability to convince potential agents to join our platform;
- technical issues or delays in releasing, updating or integrating certain platforms or in the cross-compatibility of multiple platforms;
- security breaches with respect to our data;
- a rise in safety or privacy concerns; and
- an increase in the level of spam or undesired content on the network.

Management team

We are highly dependent on our management team, specifically our CEO. If we lose key employees, our business may suffer. Furthermore, our future success will also depend in part on the continued service of our key management personnel and our ability to identify, hire, and retain additional personnel. We do not carry "key-man" life insurance on the lives of our executive officer, employees or advisors. We experience intense competition for qualified personnel and may be unable to attract and retain the personnel necessary for the development of our business. Because of this competition, our compensation costs may increase significantly.

Monetization of platform

There is no guarantee that our efforts to monetize the Real platform will be successful. Furthermore, our competitors may introduce more advanced technologies that deliver a greater value proposition to realtors in the future. All these factors individually or collectively may preclude us from effectively monetizing our business which would have a material adverse effect on our financial condition and results of operation.

Seasonality of operations

Seasons and weather traditionally impact the real estate industry in the jurisdictions where Real operates. Continuous poor weather or natural disasters negatively impact listings and sales. Spring and summer seasons historically reflect greater sales periods in comparison to fall and winter seasons. Real has historically experienced lower revenues during the fall and winter seasons, as well as during periods of unseasonable weather, which reduces Real's operating income, net income, operating margins and cash flow.

Real estate listings precede sales and a period of poor listings activity will negatively impact revenue. Past performance in similar seasons or during similar weather events can provide no assurance of future or current performance, and macroeconomic shifts in the markets Real serves can conceal the impact of poor weather or seasonality.

Risks and uncertainties (cont'd)

Agent engagement

Our business model involves attracting real estate agents to our platform. There is no guarantee that growth strategies will bring new agents to our network. Changes in relationships with our partners, contractors and businesses we retain to grow our network may result in significant increases in the cost to acquire new agents. In addition, new agents may fail to engage with our network to the same extent current agents are engaging with our network resulting in decreased use of our network.

Decreases in the size of our agent base and/or decreased engagement on our network may impair our ability to generate revenue.

Managing growth

Successful implementation of our business strategy requires us to manage our growth. Growth could place an increasing strain on our management and financial resources. To manage growth effectively, we need to continuously: (i) evaluate definitive business strategies, goals and objectives; (ii) maintain a system of management controls; and (iii) attract and retain qualified personnel, as well as develop, train and manage management-level and other employees. If we fail to manage our growth effectively, our business, financial condition or operating results could be materially harmed.

Competition

We compete with both start-up and established technology companies and brokerages. Our competitors may have substantially greater financial, marketing and other resources than we do and may have been in business longer than we have or have greater name recognition and be better established in the technological or real estate markets than we are. If we are unable to compete successfully with other businesses in our existing market, we may not achieve our projected revenue and/or user targets which may have a material adverse effect on our financial condition.

Volatility

The market price of our Common Shares could fluctuate significantly in response to various factors and events, including, but not limited to: our ability to execute our business plan; operating results below expectations; announcements regarding regulatory developments with respect to the real estate industry; our issuance of additional securities, including debt or equity or a combination thereof, necessary to fund our operating expenses; announcements of technological innovations or new products by us or our competitors; and period-to-period fluctuations in our financial results. In addition, the securities markets have from time to time experienced significant price and volume fluctuations that are unrelated to the operating performance of particular companies. These market fluctuations may also materially and adversely affect the market price of our Common Shares.

An investment in our securities is speculative and involves a high degree of risk. Potential investors should be aware that the value of an investment in the Company may go down as well as up. In addition, there can be no certainty that the market value of an investment in the Company will fully reflect its underlying value. Investors could lose their entire investment.
Because we can issue additional Common Shares, purchasers of our Common Shares may incur immediate dilution and experience further dilution.

As of the date of this MD&A, we are authorized to issue an unlimited number of Common Shares, of which 143,401 Common Shares are issued and outstanding. Our board of directors has the authority to cause us to issue additional Common Shares without consent of any of stockholders. Consequently, our stockholders may experience further dilution in their ownership of our stock in the future, which could have an adverse effect on the trading market for our Common Shares.

Risks and uncertainties (cont'd)

Loss of investment (cont'd)

Furthermore, our articles give our Board the right to create one or more new classes or series of shares. As a result, our Board may, without stockholder approval, issue shares of a new class or series with voting, dividend, conversion, liquidation or other rights that could adversely affect the voting power and equity interests of the holders of our Common Shares, as well as the price of our Common Shares.

Cyber security threats

A cyber incident is an intentional or unintentional event that could threatens the integrity, confidentiality or availability of the Company's information resources. These events include, but are not limited to, unauthorized access to information systems, a disruption to our information systems, or loss of confidential information. Real's primary risks that could result directly from the occurrence of a cyber incident include operational interruption, damage to our public image and reputation, and/or potentially impact the relationships with our customers.

We have implemented processes, procedures and controls to mitigate these risks, including, but not limited to, firewalls and antivirus programs and training and awareness programs on the risks of cyber incidents. These procedures and controls do not guarantee that the financial results may not be negatively impacted by such an incident.

Subsequent events

On April 22, 2021, the Company announced its expected filing of Form 40-F Registration Statement with the United States Securities and Exchange Commission (the "**SEC**"), in advance of an anticipated listing on the Nasdaq Capital Market. The listing of The Company's Common Shares on Nasdaq remains subject to the approval of Nasdaq and the satisfaction of all applicable listing and regulatory requirements, including meeting the necessary share price requirements and the SEC declaring the Form 40-F Registration Statement effective. The Company will continue to maintain the listing of its Common Shares on the TSX Venture Exchange under the trading symbol "REAX". The Company also will continue to maintain listing its Common Shares on the OTCQX under the trading symbol "REAXF" until listed on Nasdaq.

Subsequent to March 31, 2021, the Company has expanded its brokerage services to Oregon and Nevada.

Outstanding Share Data

As of May 11, 2021, the Company had 143,401 Common Shares issued and outstanding.

In addition, as of May 11, 2021, there were 18,465 Options outstanding under the Stock Option Plan with exercises prices ranging from $0.10 to $2.50 CAD per share and expiry dates ranging from January 2026 to March 2031. Each Option is exercisable for one Common Share. A total of 607 restricted share units ("**RSUs**") were outstanding under the RSU Plan. Once vested, a total of 607 Common Shares will be issuable pursuant to the outstanding RSUs.

Additional information

These documents, as well as additional information regarding Real, have been filed electronically on Real's website at www.joinreal.com and under the Company's profile at www.sedar.com.

FORM 52-109FV2

CERTIFICATION OF INTERIM FILINGS
VENTURE ISSUER BASIC CERTIFICATE

I, Michelle Ressler, Chief Financial Officer of The Real Brokerage Inc., certify the following:

1. **Review:** I have reviewed the interim financial report and interim MD&A (together, the "interim filings") of The Real Brokerage Inc. (the "issuer") for the interim period ended March 31, 2021.

2. **No misrepresentations:** Based on my knowledge, having exercised reasonable diligence, the interim filings 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, with respect to the period covered by the interim filings.

3. **Fair presentation:** Based on my knowledge, having exercised reasonable diligence, the interim financial report together with the other financial information included in the interim filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the interim filings.

Date: May 11, 2021

"Michelle Ressler"
Michelle Ressler
Chief Financial Officer

NOTE TO READER

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings (NI 52-109), this Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of

i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

FORM 52-109FV2

CERTIFICATION OF INTERIM FILINGS
VENTURE ISSUER BASIC CERTIFICATE

I, Tamir Poleg, Chief Executive Officer of The Real Brokerage Inc., certify the following:

1. **Review:** I have reviewed the interim financial report and interim MD&A (together, the "interim filings") of The Real Brokerage Inc. (the "issuer") for the interim period ended March 31, 2021.

2. **No misrepresentations:** Based on my knowledge, having exercised reasonable diligence, the interim filings 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, with respect to the period covered by the interim filings.

3. **Fair presentation:** Based on my knowledge, having exercised reasonable diligence, the interim financial report together with the other financial information included in the interim filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the interim filings.

Date: May 11, 2021

"Tamir Poleg"
Tamir Poleg
Chief Executive Officer

NOTE TO READER

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings (NI 52-109), this Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of

i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

The Real Brokerage Inc. Announces First Quarter 2021 Financial Results

Achieves 217% year over year revenue growth in Q1 to US $9.3 million

82% Agent Growth to 1,895 Agents at the end of Q1

In March alone, added 255 agents that collectively generated US $20 million in trailing twelve-month revenue recorded prior to joining Real

TORONTO and NEW YORK, May 11, 2021 /PRNewswire/ -- The Real Brokerage Inc. ("Real") (TSXV: REAX) (OTCQX: REAXF), a national, technology powered real estate brokerage in the United States, announced its financial results for the three months ended March 31, 2021, and will present the results on a conference call and live webcast on May 11, 2021 at 11:00 a.m. EDT.

Q1 Financial Highlights (unaudited) (US dollars)

- Revenue increased 217% in the first quarter of 2021 to $9.3 million, compared to Q1 last year
- Gross profit grew 222% to $1.2 million in the first quarter of 2021
- Net loss was $3.8 million in the first quarter of 2021, compared to a net loss of $243 thousand in the first quarter of 2020.

"We've started 2021 with strong results – as demonstrated by Q1 revenue increasing 217% to $9.3 million compared to Q1 last year, bolstered by rapid agent growth and expansion to new state markets, since going public in June 2020. In terms of outlook, in March alone, we added about 250 agents with $20 million in trailing 12-month revenue recorded prior to joining Real. We continue to see strong results as we progress through 2021."

Mr. Poleg added, "With our growth to date and our continued efforts to develop our platform, we are well positioned in the marketplace with our current business model. We continue to evaluate different ancillary services to augment the platform in the future to help us continue on our current trajectory. As Real prospers, our agents benefit from our proprietary platform and our equity incentive program, and consumers enjoy a simplified buying experience. That's the vision, having a positive impact on as many human beings as possible within the real estate space."

Q1 and Recent Operating Highlights

- Surpassed 2,000 Real Estate Agents in April 2021, a 90% increase since April 2020
- In March 2021, added 255 agents that collectively generated $20 million in trailing twelve-month revenue recorded prior to joining Real
- Announced application to list on the Nasdaq Capital Market
- Real's network grew 82% to 1,895 agents at the end of Q1 2021, compared to the end of Q1 last year
- The value of closed transactions grew 234% to $374 million in Q1 2021, compared to Q1 last year
- Total cash on hand equaled $20.5 million as of March 31, 2021, compared to $54 thousand as of March 31, 2020.
- As of March 31, 2021, Real offered real estate brokerage services in 29 U.S. states and the District of Columbia and had 34 full-time employees.
- As of March 31, 2021, Real's efficiency ratio (Full Time Employees : Agents) was 1:56, with a long term target of 1:75**.** Real views this as a competitive advantage in terms of how quickly and efficiently it can scale and provides benefit in profit margins. The industry standard is a ratio of approximately to 1:25.

Conference Call Information

To participate in this event, dial approximately 5 to 10 minutes before the beginning of the call.

Date: May 11, 2021
Time: 11:00 a.m. eastern time

Toll Free: 877-407-8035
International: 201-689-8035
Live Webcast: https://www.webcaster4.com/Webcast/Page/2699/41103

Conference Call Replay Information

The replay will be available beginning approximately 1 hour after the completion of the live event.

Toll Free: 877-481-4010
International: 919-882-2331
Passcode: 41103
Web replay: https://www.webcaster4.com/Webcast/Page/2699/41103

About Real

Real (**www.joinreal.com**) is a technology-powered real estate brokerage operating in 29 U.S. states and the District of Columbia. Real is building the future, together with agents and their clients. Real creates financial opportunities for agents through better commission splits, best-in-class technology, revenue sharing and equity incentives.

The Real Brokerage Inc
Consolidated Statement of Financial Position
(unaudited)

	March 31, 2021	December 31, 2020
Assets		
Cash	**20,527**	21,226
Restricted cash	**47**	47
Trade receivables	**727**	117
Other receivables	**24**	221
Related parties	**-**	-
Prepaid expenses and deposits	**163**	89
Current assets	**21,488**	21,700
Intangible assets	**1,146**	-
Property and equipment	**28**	14
Right-of-use assets	**172**	193
Non-current assets	**1,346**	207
Total assets	**22,834**	21,907
Liabilities		
Accounts payable and accrued liabilities	**2,622**	815
Other payables	**70**	64
Lease liabilities	**85**	85
Current liabilities	**2,777**	964
Lease liabilities	**110**	130
Accrued Stock-based Compensation	**122**	15
Warrants outstanding	**224**	-
Non-current liabilities	**456**	145
Total liabilities	**3,233**	1,109
Equity (Deficit)		
Share capital	**-**	-
Share premium	**21,668**	21,668
Stock-based compensation reserve	**5,386**	2,760
Deficit	**(22,271)**	(18,448)
Equity (Deficit) attributable to owners of the company	**4,783**	5,980
Non-controlling interests	**14,818**	14,818
Total liabilities and equity	**22,834**	21,907

The Real Brokerage Inc
Consolidated Statement of Loss and Comprehensive Loss
(unaudited)

	Three months ended March 31,	
	2021	**2020**
Revenue	**9,309**	2,936
Cost of sales	**8,072**	2,552
Gross profit	**1,237**	384
General & Administrative expenses	**4,080**	784
Advertising expenses	**443**	152
Research and development expenses	**427**	23
Operating loss	**(3,713)**	(575)
Finance (income) costs	**110**	(332)
Loss before tax	**(3,823)**	(243)
Income taxes	**-**	-
Net Loss	**(3,823)**	(243)
Total loss and comprehensive loss	**(3,823)**	(243)
Earnings per share		
Basic and diluted loss per share	**(0.038)**	(0.006)

The Real Brokerage Inc
IFRS Net Income (loss) to Adjusted EBITDA Reconciliation
(In thousands)

	Three months ended March 31,	
Net Income (loss)	**(3,823)**	(243)
Non operating expenses		
Taxes	**-**	-
Interest	**110**	(332)
Depreciation	**42**	27
Stock-based compensation	**2,748**	212
Adjusted EBITDA	**(923)**	(336)

The Real Brokerage Inc
Consolidated Statement of Cash Flows
(unaudited)

	Three months ended March 31,	
	2021	**2020**
Cash flows from operating activities		
Loss for the period	**(3,823)**	(243)
Adjustments for:		
– Depreciation	**41**	27
– Equity-settled share-based payment transactions	**2,748**	212
– Listing expenses	**-**	-
– Finance costs (income), net	**110**	(46)
	(924)	(50)
Changes in:		
– Trade receivables	**(610)**	(157)
– Other receivables	**197**	-
– Prepaid expenses and deposits	**(74)**	(1)
– Accounts payable and accrued liabilities	**1,807**	187
– Stock Compensation Payable	**107**	-
– Other payables	**6**	(10)
Net cash used in operating activities	**509**	(31)
Cash flows from investing activity		
Change in restricted cash	**-**	1
Purchase of property and equipment	**(14)**	-
Acquisition of subsidiaries consolidated for the first time (a)	**(1,165)**	-
Net cash used in investing activity	**(1,179)**	1
Cash flows from financing activities		
Payment of lease liabilities	**(20)**	(15)
Net cash provided by financing activities	**(20)**	(15)
Net change in cash and cash equivalents	**(690)**	(45)
Cash, beginning of period	**21,226**	96
Fluctuations in foreign currency	**(9)**	3
Cash, end of period	**20,527**	54

Forward-Looking Information

This press release contains forward-looking information within the meaning of applicable Canadian securities laws. Forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "believe", "plan", "estimate", "expect", "likely" and "intend" and statements that an event or result "may", "will", "should", "could" or "might" occur or be achieved and other similar expressions. These statements reflect management's current beliefs and are based on information currently available to management as at the date hereof.

Forward-looking information in this press release includes, without limiting the foregoing, information relating to the pace of Real's financial growth, continued development of the business, further investment in and development of agents, development and refinement of Real's technology platform for agents and clients, expectations regarding the overall U.S. residential real estate market, statements with respect to the listing of Real's common shares on the Nasdaq Capital Market, and the business and strategic plans of Real.

Forward-looking information is based on assumptions that may prove to be incorrect, including but not limited to Real's business objectives, expected growth, results of operations, performance, business projects and opportunities and financial results. Real considers these assumptions to be reasonable in the circumstances. However, forward-looking information is subject to known and unknown risks, uncertainties and other factors that could cause actual results, performance or achievements to differ materially from those expressed or implied in the forward-looking information. These factors should be carefully considered and readers should not place undue reliance on the forward-looking statements. Although the forward-looking statements contained in this press release are based upon what management believes to be reasonable assumptions, Real cannot assure readers that actual results will be consistent with these forward- looking statements. A variety of factors, including known and unknown risks, many of which are beyond our control, could cause actual results to differ materially from the forward-looking information in this press release including, without limitation: Real's inability to comply with all Nasdaq Capital Market listing requirements including meeting the necessary share price threshold for a minimum of 90 trading days and meeting the stockholders' equity requirements, the possibility that the SEC will not bring Real's Form 40-F registration statement effective, Real's ability to comply with applicable governmental regulations including all applicable food safety laws and regulations; impacts to the business and operations of Real due to the COVID-19 epidemic; a limited operating history, the ability of Real to access capital to meet future financing needs; Real's reliance on management and key personnel; competition; changes in consumer trends; foreign currency fluctuations; and general economic, market or business conditions. Additional risk factors can be found in Real's continuous disclosure documents, which have been filed on SEDAR and can be accessed at www.sedar.com.

These forward-looking statements are made as of the date of this press release, and Real assumes no obligation to update or revise them to reflect new events or circumstances, except as required by law.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release, and the OTCQX has neither approved nor disapproved the contents of this press release.

Contact Information

For additional information, please contact:

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The Real Brokerage Inc. to Present at the 16th Annual Needham Virtual Technology & Media Conference

NEWS PROVIDED BY
The Real Brokerage Inc.
May 14, 2021, 16:30 ET

TORONTO and NEW YORK, May 14, 2021 /CNW/ -- The Real Brokerage Inc. ("**Real**") (TSXV: REAX) (OTCQX: REAXF), a national, technology powered real estate brokerage in the United States, today announced that Real will present at the 16th Annual Needham Virtual Technology & Media Conference at 8:00 a.m. ET on May 18, 2021.

A webcast of the presentation will be available at:

https://wsw.com/webcast/needham108/reaxf/2431122

Management will be available for one-on-one meetings. For more information about the conference, how to listen to the presentation and or to schedule a one-on-one meeting with management, please contact your conference representative or **James@HaydenIR.com**.

Corporate Update

Real also announced today that pursuant to Real's stock option plan, on May 10, 2021, an aggregate of 300,000 options were granted to certain of cers of Real. The options will vest over a 3-year period.

About Real

Real (**www.joinreal.com**) is a technology-powered real estate brokerage operating in 29 U.S. states and the District of Columbia . Real is building the future, together with agents and their clients. Real creates nancial opportunities for agents through better commission splits, best- in-class technology, revenue sharing and equity incentives.

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Forward-looking information is based on assumptions that may prove to be incorrect, including but not limited to Real's business objectives, expected growth, results of operations, performance, business projects and opportunities and financial results. Real considers these assumptions to be reasonable in the circumstances. However, forward-looking information is subject to known and unknown risks, uncertainties and other factors that could cause actual results, performance or achievements to differ materially from those expressed or implied in the forward-looking information. These factors should be carefully considered and readers should not place undue reliance on the forward-looking statements. Although the forward- looking statements contained in this press release are based upon what management believes to be reasonable assumptions, Real cannot assure readers that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of the date of this press release, and Real assumes no obligation to update or revise them to reflect new events or circumstances, except as required by law.

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SOURCE The Real Brokerage Inc.

The Real Brokerage Inc. Opens in New Hampshire; Announces Normal Course Issuer Bid

NEWS PROVIDED BY
The Real Brokerage Inc.
May 17, 2021, 16:30 ET

TORONTO and NEW YORK, May 17, 2021 /PRNewswire/ -- The Real Brokerage Inc. ("**Real**") (TSXV: REAX) (OTCQX: REAXF), a national, technology powered real estate brokerage in the United States, announced its launch of business in New Hampshire with the appointment of real estate broker Andy Armata as Real's principal broker in New Hampshire.

Armata, who also serves as New England growth leader for Real, has been a licensed real estate broker for two decades, has been licensed in seven states and has served as broker of record for over 25,000 transactions in New Hampshire and throughout New England. He prides himself on being a team builder and industry innovator and is thrilled with bringing the Real business model to the region.

"Real has put together a unique offering of agent incentives and compensation, branding, revenue sharing, training and a culture built around people who actually live our motto – 'work hard, be kind'," Armata said.

"We are thrilled to open Real in New Hampshire and offer agents in The Granite State access to Andy's transaction and agent training expertise along with the nancial opportunities that Real offers," said Real co-founder and CEO Tamir Poleg.

Normal Course Issuer Bid

Real announced today that the TSX Venture Exchange ("**TSXV**") has accepted for ling Real's notice in respect of a normal course issuer bid (the "**NCIB**") to be transacted through the facilities of the TSXV.

Pursuant to the NCIB, Real may purchase up to 7,170,190 of its common shares (the "**Shares**") representing approximately 5% of the total 143,403,790 Shares of the Company's issued and outstanding as at April 30, 2021. Purchases will be made at prevailing market prices commencing on or about May 20, 2021 and ending on the earlier of: (i) one year from such commencement; or (ii) the date on which the Company has purchased the maximum number of Shares to be under the NCIB.

The Company has established a Restricted Share Unit Plan ("**RSU Plan**") for the bene t of designated participants. Designated participants are employees, of cers or consultants of the Company or a related entity of the Company as the Board may designate from time to time as eligible to participate in the Plan. Under the Plan, vested RSUs are redeemable for Shares, a cash payment equivalent to the value of a Share or a combination of cash or Shares. The RSU Plan provides that Shares available to satisfy such redemption will be acquired on the market. The NCIB is being conducted to acquire the Shares for the purposes of the RSU Plan.

Real has appointed CWB Trust Services as the Trustee for the purposes of arranging for the acquisition of the Shares and to hold the shares in trust for the purposes of the RSU Plan as well as deal with other administration matters. Through the trustee, RBC Capital Markets ("**RBCCM**") has been engaged to undertake purchases under the NCIB for the purposes of the RSU Plan. RBCCM is required to comply with the TSXV NCIB rules in respect of the purchases of Shares as the Trustee is considered to be a non-independent trustee by the TSXV for the purposes of the NCIB rules.

The Shares acquired will be held by the Trustee until the same are sold in the market with the proceeds to be transferred to designated participants under the terms of the RSU Plan to satisfy the Company's obligations in respect of redemptions of vested RSUs held by such designated participants.

A copy of the Company's Notice led with the TSXV may be obtained, by any shareholder without charge, by contacting Real's Corporate Secretary.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States.

The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

About Real

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About CWB Trust Services

CWB Trust Services, a member of the CWB Financial Group, provides personalized trustee and custodial solutions for mid-sized pension plans, brokerage rms, investment managers, endowments, individual mortgage investors and other investment pools. Learn more at www.cwt.ca.

Forward-Looking Information

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SOURCE The Real Brokerage Inc.

Related Links
https://www.joinreal.com

Deloitte.

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference of our report dated March 19, 2021, relating to the consolidated financial statements of The Real Brokerage Inc. appearing in this annual Report on Form 40-F for the year ended December 31, 2020.

/S/ Brightman Almagor Zohar & Co.
Certified Public Accountants
A Firm in the Deloitte Global Network

Tel Aviv, Israel
May 25, 2021

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