I.M.C. HOLDINGS LTD.

and

NAVASOTA RESOURCES INC.

and

NAVASOTA ACQUISITION LTD.

AMENDED AND RESTATED BUSINESS COMBINATION AGREEMENT

September 3, 2019

TABLE OF CONTENTS

Page

TABLE OF CONTENTS
(continued)

Page

AMENDED AND RESTATED BUSINESS COMBINATION AGREEMENT

THIS AGREEMENT is made as of September 3, 2019,

BETWEEN:

I.M.C. HOLDINGS LTD.,
a company incorporated under the laws of the State of Israel, privately held limited liability company number 515778348
("**IMC**")

-and-

NAVASOTA RESOURCES INC.,
a corporation incorporated under the laws of the Province of British Columbia
("**Navasota**")

-and-

NAVASOTA ACQUISITION LTD.,
a company incorporated under the laws of the State of Israel, privately held limited liability company number 515881027
("**Subco1**")

WHEREAS Navasota is a reporting issuer in Canada and is not listed on any stock exchange;

AND WHEREAS IMC, Navasota and Subco1 are parties to a business combination agreement dated November 6, 2018, as amended April 7, 2019 and further amended May 29, 2019 (the "**Business Combination Agreement**") whereby the Parties agreed to combine the business and assets of IMC with those of Navasota and upon completion of such business combination, Navasota will become the Resulting Issuer (as defined below) with the name "IM Cannabis Corp." or such other similar name as may be accepted by the relevant regulatory authorities;

AND WHEREAS the Parties agreed to carry out the proposed business combination by way of a triangular Merger (as defined below) between Navasota, Subco1 and IMC pursuant to the applicable laws of the State of Israel, including Sections 314 through 327 of the Israeli Companies Law 5759-1999 together with the rules and regulations promulgated thereunder (collectively, the "**Companies Law**") and other related transaction steps, whereby Subco1 will cease to exist and IMC will become a wholly owned subsidiary of Navasota;

AND WHEREAS the board of directors of IMC has: (i) determined that this Agreement, the Merger and the other transactions contemplated by this Agreement are fair to, and in the best interests of, IMC and its shareholders and that, considering the financial position of the merging companies, no reasonable concern exists that the Surviving Company will be unable to fulfill the obligations of IMC to its creditors; (ii) approved this Agreement, the Merger and the other transactions contemplated hereby; and (iii) determined to recommend that the shareholders of IMC approve this Agreement, the Merger and the other transactions contemplated hereby;

AND WHEREAS the boards of directors of Navasota and Subco1 have each approved this Agreement, the Merger and the other transactions contemplated hereby, and the board of directors of Subco1 has: (i) determined that this Agreement, the Merger and the other transactions contemplated by this Agreement are fair to, and in the best interests of, Subco1 and its sole shareholder and that, considering the financial position of the merging companies, no reasonable concern exists that the Surviving Company will be unable to fulfill the obligations of Subco1 to its creditors, to the extent such exist; and (ii) determined to recommend that the sole shareholder of Subco1 approve this Agreement, the Merger and the other transactions contemplated hereby;

AND WHEREAS subsequent to entering into the Business Combination Agreement, IMC completed, with the consent of Navasota, the IMC Restructuring (as defined below) and IMC and Navasota agreed to conduct a private placement of subscription receipts of Finco (as defined below) to raise capital for the operational expansion, business development and working capital needs of the Resulting Issuer;

AND WHEREAS the Parties have agreed to carry out a three-cornered Amalgamation (as defined below) between Navasota, Subco2 and Finco pursuant to the provisions of the BCBCA (as defined below) to provide for the issuance of Resulting Issuer common shares in exchange for the Finco subscription receipts as part of the business combination;

AND WHEREAS the Parties desire to amend and restate the Business Combination Agreement to reflect the foregoing agreements and continue the proposed business combination on the terms set forth herein;

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

ARTICLE 1
INTERPRETATION

1.1 Definitions

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

"**Affiliate**" has the meaning ascribed thereto in the BCBCA;

"**Agreement**", "**this Agreement**", "**herein**", "**hereto**", and "**hereof**" and similar expressions refer to this amended and restated business combination agreement, including the schedules attached hereto, as the same may be amended or supplemented from time to time;

"**Amalco**" means the corporation resulting from the Amalgamation;

"**Amalco Shares**" means common shares in the capital of Amalco;

"**Amalgamation**" means an amalgamation of Subco2 and Finco pursuant to Section 269 of the BCBCA, on the terms and subject to the conditions set out in the Amalgamation Agreement and this Agreement, subject to any amendments or variations thereto made in accordance with the provisions of the Amalgamation Agreement and this Agreement;

"**Amalgamation Agreement**" means the amalgamation agreement substantially in the form attached hereto as Schedule B to be entered into between Subco2 and Finco pursuant to Section 269 of the BCBCA, to effect the Amalgamation;

"**Amalgamation Application**" means the Form 13 to be jointly completed and filed by Subco2 and Finco with the Registrar of Companies under the BCBCA giving effect to the Amalgamation upon and subject to the terms of this Agreement and the Amalgamation Agreement;

"**BCBCA**" means the *Business Corporations Act* (British Columbia) as the same has been and may hereafter from time to time be amended;

"**Business Day**" means any day, excluding Saturday or Sunday, on which banking institutions are open for business in Toronto, Ontario, Canada;

"**Business Combination**" means the series of transactions, as detailed in this Agreement, through which the businesses of IMC and Navasota will be combined, including the Financing, the Consolidation, the Merger, the Amalgamation, the IMC Director Appointments and the Navasota Name Change;

"**Business Combination Agreement**" has the meaning set forth in the recitals of this Agreement;

"**Certificate of Merger**" means the certificate in respect of the Merger issued by the Israeli Registrar of Companies;

"**Certificate of Amalgamation**" means the certificate of amalgamation issued by the Registrar of Companies under the BCBCA pursuant to Section 281 of the BCBCA following the filing of the Amalgamation Application;

"**Companies Law**" has the meaning ascribed thereto in the recitals of this Agreement;

"**Completion Deadline**" means September 30, 2019 or such later date as may be mutually agreed between the Parties in writing;

"**Consolidation**" means a consolidation of the issued and outstanding Navasota Shares on the basis of the Consolidation Ratio;

"**Consolidation Ratio**" means the ratio for the Consolidation, being one (1) post-Consolidation Navasota Share for every 2.83 pre-Consolidation Navasota Shares held;

"**CSE**" means the Canadian Securities Exchange;

"**Debt Instrument**" has the meaning ascribed thereto in Section 4.1(z) hereof;

"**Depositary**" means such Person as Navasota may appoint to act as depositary in relation to the Business Combination, with the approval of IMC, acting reasonably;

"**Disclosure Letter**" means the disclosure letter executed by IMC and delivered to Navasota concurrently with the execution of this Agreement;

"**Documents**" means this Agreement, the Merger Proposal and the Amalgamation Agreement;

"**DRS Statement**" means a statement evidencing a shareholding position under the Direct Registration System;

"**Due Diligence Sessions**" means one or more due diligence sessions held by the agents appointed by Finco to act as the sole and exclusive agents of Finco to effecting the Financing, and pursuant to which IMC's directors, senior management and auditors were made available to answer questions which such agents may have;

"**Effective Date**" means the date shown on the Certificate of Amalgamation giving effect to the Amalgamation, which date shall be in accordance with Section 2.1(h)(iv) hereof;

"**Effective Time**" means the time of filing of the Amalgamation Application with the British Columbia Registrar of Companies on the Effective Date;

"**Environmental Laws**" has the meaning ascribed thereto in Section 4.1(u) hereof;

"**Financing**" means the private placement of Subscription Receipts to be completed by Finco prior to the Effective Date;

"**Finco**" means IM Cannabis (Finance) Ltd., a company incorporated under the laws of the Province of British Columbia as a wholly-owned Subsidiary of Navasota for the purpose of effecting the Business Combination and the Financing;

"**Finco Agent Warrants**" means the compensation options of Finco to be issued to certain dealers and agents in connection with the Financing;

"**Finco Convertible Securities**" means, collectively, the Finco Agent Warrants and Finco Warrants;

"**Finco Shares**" means the common shares in the capital of Finco;

"**Finco Warrants**" means common share purchase warrants of Finco;

"**Going Public Transaction**" means (i) the initial public offering of any class of securities of IMC or a direct listing application of IMC whereby any class of securities of IMC becomes listed or quoted on a recognized Canadian stock exchange, or (ii) a reverse takeover, amalgamation, merger, statutory arrangement, share exchange or similar transaction involving IMC and a reporting issuer in a province of Canada and which results in the securities of the resulting issuer from such transaction becoming listed or quoted on a recognized Canadian stock exchange;

"**Governing Documents**" means, in respect of each Party, as applicable, its certificate, its notice of articles and articles as amended, its articles of incorporation/association, as amended, and its by-laws, as amended;

"**Government Authority**" means any applicable foreign, national, provincial, local or state government, any political subdivision or any governmental, judicial, public or statutory instrumentality, court, tribunal, agency (including those pertaining to health, safety or the environment), authority, body or entity, or other regulatory bureau, authority, body or entity having legal jurisdiction over the activity or Person in question and, for greater certainty, includes the CSE;

"**IFRS**" means International Financial Reporting Standards applicable as at the relevant date;

"**IMC**" means I.M.C. Holdings Ltd., limited liability company number 515778348, a company existing under the laws of the State of Israel;

"**IMC Agent Warrants**" means the compensation options of IMC issued to dealers and agents in connection with any prior financings of IMC of which, as of the date of this Agreement, there are 128,652 IMC Agent Warrants issued and outstanding;

"**IMC Convertible Securities**" means, collectively, the IMC Options, the IMC Warrants and the IMC Agent Warrants;

"**IMC Director Appointments**" means, subject to the completion of the Merger, the reconstitution of the board of directors of Navasota to consist of four (4) directors, as more particularly set out in Section 2.1(i);

"**IMC Financial Statements**" means (i) the audited consolidated financial statements of IMC for the two most recently completed financial years and the notes thereto; (ii) the unaudited interim financial statements of IMC for the three month period ended June 30, 2019; and (iii) the *pro forma* financial statements of IMC as at December 31, 2018 after giving effect to the Business Combination and the IMC Restructuring;

"**IMC Holder**" has the meaning given to such term in Section 2.1(k) and "**IMC Holders**" means all such holders;

"**IMC Meeting**" means a special meeting of the shareholders of IMC to be held in order to seek shareholder approval for the Merger;

"**IMC Options**" means the stock options to purchase IMC Shares granted to IMC's directors, officers, employees, contractors and other eligible persons, of which, as of the date of this Agreement, there are 1,198,000 IMC Options issued and outstanding, all of which are held by the Israeli Trustee, as required under section 102 to Tax Ordinance and under the Plan;

"**IMC Restructuring**" means the corporate re-structuring of IMC whereby IMC divested its interests in Focus Medical Herbs Ltd., which conducted or was to conduct IMC's cannabis growth and cultivation activities in the State of Israel, to two related parties with a ten year option on the part of IMC to re-acquire such interests from the related parties at a future date;

"**IMC Restructuring Documents**" means, collectively, the following agreements dated April 2, 2019: (i) an option agreement between IMC and the owners of 3,600 ordinary shares of Focus Medical Herbs Ltd.; (ii) a share purchase agreement between IMC and certain purchasers, under which IMC sold 3,600 ordinary shares of Focus Medical Herbs Ltd.; (iii) a service agreement between IMC and Focus Medical Herbs Ltd.; and (iv) a license agreement between IMC and Focus Medical Herbs Ltd.;

"**IMC Shareholder**" means a registered holder of IMC Shares, from time to time, and "**IMC Shareholders**" means all such holders;

"**IMC Shares**" means the ordinary shares in the capital of IMC;

"**IMC Subsidiaries**" means I.M.C. Ventures Ltd., IMC Pharma Ltd., IMCC Ltd., Adjupharm GmbH, and I.M.C. – International Medical Cannabis Portugal, Unipessoal, Lda.;

"**IMC Warrants**" means the common share purchase warrants of IMC of which, as of the date of this Agreement, there are 1,141,375 IMC Warrants issued and outstanding;

"**in writing**" means written information including documents, files, software, records and books made available, delivered or produced to one Party by or on behalf of the other Party;

"**Israeli Registrar of Companies**" means the Government Authority in the State of Israel responsible for the supervision, registration and enforcement over corporations in Israel;

"**Israeli Trustee**" means an Israeli trustee mutually appointed by Navasota and IMC in respect of the Resulting Issuer Shares and Resulting Issuer Convertible Securities to be issued to IMC Holders resident in the State of Israel;

"**ITA**" means the Israeli Tax Authority.

"**Laws**" means all laws, statutes, codes, ordinances, decrees, rules, regulations, by laws, statutory rules, principles of law, published policies and guidelines, judicial or arbitral or administrative or ministerial or departmental or regulatory judgments, orders, decisions, rulings or awards, including general principles of common and civil law, and terms and conditions of any grant of approval, permission, authority or license of any Government Authority, statutory body or self-regulatory authority, and the term "applicable" with respect to such Laws and in the context that refers to one or more Persons, means that such Laws apply to such Person or Persons or its or their business, undertaking, property or securities and emanate from a Government Authority (or any other Person) having jurisdiction over the aforesaid Person or Persons or its or their business, undertaking, property or securities;

"**Letter of Intent**" means the letter of intent dated June 25, 2018 between IMC and Navasota, as amended, in respect of the proposed Business Combination;

"**Letter of Transmittal**" means a letter of transmittal to be sent to holders of IMC Shares and IMC Convertible Securities for use in connection with the Business Combination and in order to deliver to the Israeli Trustee the Resulting Issuer Shares and Resulting Issuer Convertible Securities to which they are entitled after giving effect to the Merger;

"**Listing Statement**" means a CSE listing statement of Navasota to be prepared jointly by Navasota and IMC in respect of the Business Combination in accordance with the policies of the CSE;

"**Material Adverse Effect**" means any event, change or effect that is or would reasonably be expected to be materially adverse to the financial condition, operations, assets, liabilities, or business of a Party and its Subsidiaries, considered as a whole, provided, however, that a Material Adverse Effect shall not include an adverse effect resulting from a change: (a) which arises out of or in connection with a matter that has been publicly disclosed or otherwise disclosed in writing by such Party to the other Parties prior to the date of this Agreement; (b) resulting from conditions affecting the medical marijuana industry generally in Canada, Israel and the United States including changes in laws, government policies or programs or taxes; or (c) resulting from general economic, financial, currency exchange, securities or commodity market conditions in Canada, the United States or Israel;

"**material fact**" has the meaning ascribed thereto in the *Securities Act* (Ontario) as the same has been and may hereafter from time to time be modified;

"**Merger**" means the merger of Subco1 with and into IMC pursuant to the laws of the State of Israel in accordance with the terms of this Agreement;

"**Merger Exchange Ratio**" has the meaning given to such term in Section 2.1(f)(ii)(B) hereof;

"**Merger Proposal**" means the proposal to be prepared in the Hebrew Language to be executed and submitted to the Israeli Registrar of Companies in accordance with Section 316 of the Companies Law by IMC and Subco1 in respect of the Merger;

"**Navasota**" means Navasota Resources Inc., as it exists prior to the completion of the Business Combination;

"**Navasota Financial Statements**" has the meaning ascribed thereto in Section 4.2(m) hereof;

"**Navasota Meeting**" means a special meeting of the shareholders of Navasota to be held in order to seek shareholder approval for the Consolidation, the IMC Director Appointments and the Navasota Name Change;

"**Navasota Name Change**" means, subject to the completion of the Amalgamation, a change in the name of Navasota to "IM Cannabis Corp." or such other similar name as may be accepted by the relevant regulatory authorities and approved by the board of directors of the Resulting Issuer;

"**Navasota Shareholder**" means a registered holder of Navasota Shares, from time to time;

"**Navasota Shares**" means the common shares in the capital of Navasota;

"**Navasota Subsidiaries**" means the direct and indirect Subsidiaries of Navasota which, for greater certainty, include Subco1, Subco2, Société AMIG Navasota Mining International S.A.R.L., Société Guinéenne de Fer et de Bauxite and Africa Bauxite Corporation;

"**Navasota Warrants**" means the common share purchase warrants of Navasota of which, as of the date of this Agreement, there are 2,000,000 Navasota Warrants issued and outstanding;

"**Party**" means each of IMC, Navasota and Subco1 individually, and collectively, the "**Parties**";

"**Person**" includes any individual, firm, partnership, joint venture, venture capital fund, association, trust, trustee, executor, administrator, legal personal representative, estate, group, body corporate, corporation, unincorporated association or organization, Government Authority, syndicate or other entity, whether or not having legal status;

"**Plan**" means the 2018 employee share option plan duly adopted by IMC on December 19, 2018;

"**Post-Consolidation Navasota Shares**" collectively means the common shares in the capital of Navasota after giving effect to the Consolidation and individually a "**Post-Consolidation Navasota Share**";

"**Regulatory Approval**" means any approval, consent, waiver, permit, order or exemption from any Government Authority having jurisdiction or authority over any Party or the Subsidiary of any Party which is required or advisable to be obtained in order to permit the Business Combination to be effected and "**Regulatory Approvals**" means all such approvals, consents, waivers, permits, orders or exemptions;

"**Reporting Jurisdictions**" has the meaning ascribed thereto in Section 4.2(e) hereof;

"**Resulting Issuer**" means Navasota after giving effect to the Business Combination as described in this Agreement and renamed "IM Cannabis Corp." or such other similar name as may be accepted by the relevant regulatory authorities and approved by its board of directors;

"**Resulting Issuer Agent Warrants**" means the compensation options to purchase Resulting Issuer securities to be issued to: (i) holders of IMC Agent Warrants in exchange for their IMC Agent Warrants in accordance with the Merger Exchange Ratio; and (ii) holders of Finco Agent Warrants on a 1:1 basis;

"**Resulting Issuer Convertible Securities**" means, collectively, the Resulting Issuer Options, the Resulting Issuer Warrants and the Resulting Issuer Agent Warrants;

"**Resulting Issuer Options**" means stock options to purchase Resulting Issuer Shares to be issued to the Israeli Trustee who holds the IMC Options in exchange for their IMC Options in accordance with the Merger Exchange Ratio;

"**Resulting Issuer Share**" has the meaning ascribed thereto in Section 2.1(f)(ii)(B) hereof;

"**Resulting Issuer Warrants**" means common share purchase warrants to purchase Resulting Issuer Shares to be issued to: (i) the holders of the IMC Warrants in exchange for their IMC Warrants in accordance with the Merger Exchange Ratio; and (ii) the holders of Finco Warrants on a 1:1 basis;

"**Securities Authorities**" means the applicable securities commissions or similar securities regulatory authorities in each of the Reporting Jurisdictions, and the CSE;

"**Surviving Company**" means the corporation resulting and continuing from the Merger;

"**Surviving Company Shares**" means the ordinary shares in the share capital of the Surviving Company;

"**Subco1**" means Navasota Acquisition Ltd., limited liability company number 515881027, a corporation incorporated under the laws of the State of Israel as a wholly-owned Subsidiary of Navasota for the sole purpose of effecting the Merger;

"**Subco1 Meeting**" means a special meeting of the Subco1 Shareholder to be held in order to seek shareholder approval for the Merger;

"**Subco1 Shares**" means the ordinary shares in the capital of Subco1;

"**Subco1 Shareholder**" means a registered holder of Subco1 Shares, from time to time, and "**Subco1 Shareholders**" means all such holders;

"**Subco2**" means 1215324 B.C. Ltd., a company incorporated under the laws of the Province of British Columbia as a wholly-owned Subsidiary of Navasota for the sole purpose of effecting the Amalgamation;

"**Subco2 Shares**" means the common shares in the capital of Subco2;

"**Subscription Receipt Agreement**" means the subscription receipt agreement to be entered into among Finco, Navasota, IMC, Cormark Securities Inc., and a subscription receipt agent to be selected by the parties thereto setting out the terms and conditions of the Subscription Receipts;

"**Subscription Receipts**" has the meaning ascribed to such term in Section 2.1(d);

"**Subsidiary**" has the meaning ascribed thereto in the BCBCA;

"**Taxes**" has the meaning ascribed thereto in Section 4.1(p) hereof;

"**Tax Ordinance**" means the Israeli Income Tax Ordinance [New-Version] – 1961, as amended, and the rules and regulations promulgated thereunder;

"**U.S. Accredited Investor**" means an accredited investor as defined in Rule 501(a) under the U.S. Securities Act;

"**U.S. Person**" has the meaning ascribed to such term in Rule 902(k) of Regulation S under the U.S. Securities Act;

"**U.S. Securities Act**" means the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder; and

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

1.2 Amendment and Restatement

This Agreement amends and restates the Business Combination Agreement in its entirety effective as of the date hereof.

1.3 Singular, Plural, etc.

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

1.4 Deemed Currency

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

1.5 Headings, etc.

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

1.6 Date for any Action

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

1.7 Governing Law

This Agreement shall be governed by and interpreted in accordance with the Laws of the Province of Ontario and the Laws of Canada applicable therein. Each Party hereby irrevocably attorns to the jurisdiction of the Courts of the Province of Ontario sitting in and for the judicial district of Toronto in respect of all matters arising under or in relation to this Agreement. Notwithstanding the foregoing, the Merger and the Merger Proposal will be governed by the laws of the State of Israel.

1.8 Attornment

The Parties hereby irrevocably and unconditionally consent to and submit to the courts of the Province of Ontario for any actions, suits or proceedings arising out of or relating to this Agreement or the matters contemplated hereby (and agree not to commence any action, suit or proceeding relating thereto except in such courts) and further agree that service of any process, summons, notice or

document by single registered mail to the addresses of the Parties set forth in this Agreement shall be effective service of process for any action, suit or proceeding brought against either Party in such court. The Parties hereby irrevocably and unconditionally waive any objection to the laying of venue of any action, suit or proceeding arising out of this Agreement or the matters contemplated hereby in the courts of the Province of Ontario and hereby further irrevocably and unconditionally waive and agree not to plead or claim in any such court that any such action, suit or proceeding so brought has been brought in an inconvenient forum.

1.9 Schedules and Exhibits

Schedule A – "Amalgamation Agreement" forms an integral part of this Agreement.

ARTICLE 2
THE BUSINESS COMBINATION

2.1 Business Combination Steps

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

(a) **IMC Meeting**. IMC shall duly call and convene the IMC Meeting (or in the alternative, IMC may obtain approval of the IMC Shareholders by consent resolution) at which the IMC Shareholders will be asked to approve the Merger described in this Agreement and the Merger Proposal and IMC shall use all commercially reasonable efforts to obtain the approval of the IMC Shareholders for the foregoing matters.

(b) **Navasota Meeting**. Navasota shall duly call and convene the Navasota Meeting at which the Navasota Shareholders will be asked to approve, among other things, the Consolidation, the IMC Director Appointments and the Navasota Name Change. The Parties acknowledge and confirm that such Navasota Meeting was duly called and convened on November 12, 2018 whereby the Navasota Shareholders approved the Consolidation, the IMC Director Appointments and the Navasota Name Change.

(c) **Subco1 Meeting**. Subco1 shall duly call and convene the Subco1 Meeting (or in the alternative, Subco1 may obtain approval of the Subco1 Shareholder by consent resolution) at which the Subco1 Shareholder will be asked to approve the Merger described in this Agreement and the Merger Proposal, and Subco1 shall use all commercially reasonable efforts to obtain the approval of the Subco1 Shareholder for the foregoing matters.

(d) **Financing of Finco**. Prior to the Effective Time, certain investors will invest cash for subscription receipts (the "**Subscription Receipts**") of Finco, with each Subscription Receipt representing the right of the holder thereof to receive, in certain circumstances set forth in the terms attached to the Subscription Receipts, one Finco Share and one half (1/2) of one (1) Finco Warrant, without any further act and for no additional consideration.

(e) **Consolidation**. Following the receipt of shareholder approvals at the IMC Meeting, the Subco1 Meeting and the Navasota Meeting, and immediately prior to the filing of the Merger Proposal, Navasota shall take all necessary corporate steps to complete the Consolidation following which Navasota will have approximately 3,455,394 Navasota Shares (subject to rounding) issued and outstanding. No fractional Post-Consolidation Navasota Shares will be delivered to any Navasota Shareholder otherwise entitled thereto and in accordance with the BCBCA, each fractional share that is less than half of a share will be cancelled and each fractional share that is at least half of a share will be changed to a whole share.

(f) **Israeli Merger**. At the Effective Time and immediately prior to the exchange of the Subscription Receipts for Finco Shares:

(i) IMC and Subco1 shall merge by way of a merger under the Companies Law in accordance with Article 3 hereof whereby the separate corporate existence of Subco1 (as the target company, or *Chevrat ha'Ya'ad*) shall cease and IMC (as the absorbing company or *HaChevra Ha'Koletet*) shall continue as the Surviving Company.

(ii) As a result of the Merger:

(A) IMC shall continue to be governed by the laws of the State of Israel and have a registered office in the State of Israel;

(B) the Israeli Trustee shall receive, on behalf of the holders of outstanding IMC Shares, ten (10) Post-Consolidation Navasota Shares for each IMC Share held (such ratio being the "**Merger Exchange Ratio**"), and each such Post-Consolidation Navasota Share, after giving effect to the Business Combination, is herein referred to as a "**Resulting Issuer Share**"; no fractional Resulting Issuer Shares shall be issued to holders of IMC Shares or the Israeli Trustee; in the event of any fractional entitlement, the number of Resulting Issuer Shares issued to each former holder of IMC Shares shall be rounded down to the next lesser whole number of Resulting Issuer Shares without any payment in respect of such fractional Resulting Issuer Share;

(C) Resulting Issuer Options, Resulting Issuer Warrants and Resulting Issuer Agent Warrants shall be issued to the Israeli Trustee on behalf of the holders of the IMC Options, IMC Warrants and IMC Agent Warrants respectively, in exchange and replacement for, on an equivalent basis and giving effect to the Merger Exchange Ratio, such IMC Options, IMC Warrants and IMC Agent Warrants, which shall thereby be cancelled;

(D) as consideration for the issuance of the Navasota Shares to the Israeli Trustee to hold such shares on behalf of the holders of IMC Shares to effect the Merger, the IMC Shares held by such holders will be transferred and conveyed to Navasota;

(E) IMC shall succeed to and assume all of the rights, properties and obligations of Subco1 in accordance with the Companies Law; and

(F) the Surviving Company will be a wholly-owned Subsidiary of Navasota.

(g) **Exchange of Subscription Receipts**. The Subscription Receipts will automatically be exchanged for Finco Shares and Finco Warrants pursuant to the terms and conditions of the Subscription Receipts and the Subscription Receipt Agreement.

(h) **Amalgamation**. At the Effective Time and following the exchange of the Subscription Receipts for Finco Shares and Finco Warrants:

(i) Navasota and Finco will effect the combination of their respective businesses and assets by way of a "three-cornered amalgamation" among Navasota, Subco2 and Finco in accordance with the provisions of the BCBCA.

(ii) Navasota, as sole shareholder of each of Subco2 and Finco prior to the exchange of the Subscription Receipts, will deliver a consent resolution in writing for each of Subco2 and Finco approving the Amalgamation.

(iii) Subco2 and Finco shall jointly complete and file the Amalgamation Application with the British Columbia Registrar of Companies under the BCBCA.

(iv) Upon the issuance of a Certificate of Amalgamation giving effect to the Amalgamation, Subco2 and Finco shall be amalgamated and shall continue as one company effective on the date of the Certificate of Amalgamation (the "**Effective Date**") under the terms and conditions prescribed in the Amalgamation Agreement.

(v) As a result of the Amalgamation:

(A) each holder of Finco Shares other than Navasota shall receive one fully paid and non-assessable Resulting Issuer Share for each Finco Share held, following which all such Finco Shares shall be cancelled;

(B) Resulting Issuer Warrants and Resulting Issuer Agent Warrants will be issued to the holders of Finco Warrants and Finco Agent Warrants respectively, in exchange and replacement for, on equivalent terms and on a 1:1 basis, such Finco Warrants and Finco Agent Warrants, which shall thereby be cancelled;

(C) Navasota shall receive one fully paid and non-assessable Amalco Share for each one Subco2 Share held by Navasota, following which all such Subco2 Shares shall be cancelled;

(D) in consideration of the issuance of Resulting Issuer Shares pursuant to Section 2.1(h)(v)(A), Amalco shall issue to Navasota one Amalco Share for each Resulting Share issued;

(E) Navasota shall add to the capital maintained in respect of the Resulting Issuer Shares an amount equal to the aggregate paid-up capital for purposes of the *Income Tax Act* (Canada) of the Finco Shares immediately prior to the Effective Time;

(F) Amalco shall add to the capital maintained in respect of the Amalco Shares an amount such that the stated capital of the Amalco Shares shall be equal to the aggregate paid-up capital for purposes of the *Income Tax*

Act (Canada) of the Subco2 Shares and Finco Shares immediately prior to the Amalgamation;

(G) no fractional Resulting Issuer Shares shall be issued to holders of Finco Shares; in the event of any fractional entitlement, the number of Resulting Issuer Shares issued to each former holder of Finco Shares shall be rounded down to the next lesser whole number of Resulting Issuer Shares without any payment in respect of such fractional Resulting Issuer Share;

(H) Navasota shall be entitled to deduct and withhold from any consideration otherwise payable pursuant to transactions contemplated by this Agreement to any holder of Finco Shares such amounts as are required to be deducted and withheld with respect to such payment under the *Income Tax Act* (Canada) or any provision of provincial, state, local or foreign tax law, in each case as amended; to the extent that amounts are so withheld, such withheld amounts shall be treated for all purposes hereof as having been paid to the holder of the Finco Shares in respect of which such deduction and withholding was made, provided that such withheld amounts are actually remitted to the appropriate taxing authority; and

(I) Amalco will become a wholly-owned Subsidiary of Navasota.

(i) **Reconstitution of Board and Name Change**. Immediately following the receipt of the Certificate of Amalgamation, Navasota will: (i) reconstitute its board of directors to give effect to the IMC Director Appointments, and (ii) effect the Navasota Name Change.

(j) **CSE Listing and Escrow**. The Resulting Issuer Shares will become listed on the CSE. The Parties acknowledge that the CSE will require some or all of the Resulting Issuer Shares issued pursuant to the Business Combination to be held in escrow and IMC and Navasota, as applicable, agree to comply and use its reasonable efforts to cause its shareholders to comply with all such escrow requirements of the CSE, provided that all Parties agree to use their reasonable commercial efforts to obtain the most advantageous escrow terms for holders of IMC Shares.

(k) **Trustee for Shares**. With respect to Israeli tax, all securities issued to the IMC Shareholders and IMC Convertible Securities holders (collectively, the "**IMC Holders**") shall be retained by the Israeli Trustee for a period of up to one hundred and eighty (180) days from the Effective Time of this Agreement with respect of each applicable portion of each IMC Holder's consideration or as otherwise required by the ITA (the "**Withholding Deadline**") (during which time neither Navasota nor the Trustee shall withhold any Israeli tax on such consideration unless explicitly required to do so by the ITA and except as provided below), and during which time each such IMC Holder (acting for itself or through an agent) may obtain a certification or ruling (a "**Withholding Certificate**") issued by the ITA, in form and substance reasonably acceptable to Navasota and the Israeli Trustee (A) exempting Navasota and the Israeli Trustee from the duty to withhold Israeli taxes with respect to the applicable consideration of such IMC Holder, (B) determining the applicable rate of Israeli tax to be imposed on the applicable consideration of such IMC Holder, or (C) providing any other instructions regarding the payment or withholding with respect to the applicable consideration of such IMC Holder. In the event that prior to the Withholding Deadline, an IMC Holder (or an agent acting on its behalf) submits to the Israeli Trustee a Withholding Certificate, in form and

substance reasonably acceptable to Navasota, the Israeli Trustee shall act in accordance with the provisions of such Withholding Certificate.

(l) **Withholding**. If any IMC Holder entitled to payment hereunder (A) does not provide the Israeli Trustee with a Withholding Certificate, prior to the Withholding Deadline, or (B) submits a written request to the Israeli Trustee to release his, her or its portion of the applicable consideration prior to the Withholding Deadline and fails to submit a Withholding Certificate, at or prior to such time, then the amount to be withheld from such IMC Holder's portion of the applicable consideration shall be calculated according to the applicable withholding rate as determined in good faith by the Israeli Trustee according to the Tax Ordinance.

(m) **Cooperation**. Navasota shall cooperate with IMC and IMC Holders and their counsel with respect to the preparation and filing of any applicable tax ruling(s), including interim rulings, issued by the ITA and in the preparation of any written or oral submissions that may be necessary, proper or advisable to obtain such ruling(s). Subject to the terms and conditions hereof, the parties shall use reasonable efforts to promptly take, or cause to be taken, all actions and to do, or cause to be done, all things necessary, proper or advisable under applicable law to obtain any such rulings, as promptly as practicable. Notwithstanding the provisions of Section 2.1(k) above, if such applicable tax rulings shall be received and delivered to the Israeli Trustee prior to the Withholding Deadline, then the provisions of such rulings shall apply and all applicable withholding and reporting procedures shall be made in accordance with the provisions of such rulings and the relevant sections of the Tax Ordinance according to which such rulings were issued. IMC will inform Navasota in advance of meetings and discussions with the ITA with respect to the Ruling (as defined below) and allow, if deemed necessary by IMC, Navasota's counsel to attend such meetings and participate in such discussions. The counsel of IMC shall provide Navasota's counsel with an update of meetings and discussions held with the ITA with respect to the Ruling, within reasonable time and to the extent deemed necessary by IMC's counsel. Furthermore, IMC shall allow Navasota to review and comment on any application or submission made to the ITA with regard to the Rulings and IMC shall adequately address such comments and revise the language if deemed necessary.

(n) **Other Actions, etc**. The Parties shall take any other action and do anything, including the execution of any other agreements, documents or instruments that are necessary or useful to give effect to the Business Combination.

2.2 Implementation Covenants

(a) **Listing Statement.** IMC and Navasota shall use commercially reasonable efforts to jointly prepare the Listing Statement together with any other documents required by applicable Laws in connection with the Business Combination and shall jointly file the final Listing Statement required by applicable Laws as soon as reasonably practicable and shall use all commercially reasonable efforts to file the final Listing Statement prior to the Completion Deadline.

(b) **Preparation of IMC Meeting Documentation.** IMC shall duly prepare documentation required in connection with the IMC Meeting, and deliver such documentation to IMC Shareholders.

(c) **Preparation of Navasota Meeting Documentation.** Navasota shall duly prepare documentation required in connection with the Navasota Meeting, and deliver such documentation to Navasota Shareholders.

(d) **Resolution in Lieu of Subco1 Shareholder Meeting.** Navasota, as sole shareholder of Subco1, shall waive notice of and its attendance at a meeting of the shareholders of Subco1 to approve the Merger and shall sign a resolution in writing as the sole shareholder of Subco1 approving the Merger.

(e) **Resolutions in Lieu of Subco2 and Finco Shareholder Meetings**. Navasota, as sole shareholder of each of Subco2 and Finco, shall waive notice of and its attendance at a meeting of the shareholders of each of Subco1 and Finco to approve the Amalgamation and shall sign a resolution in writing as the sole shareholder of each of Subco1 and Finco approving the Amalgamation.

(f) **Listing.** Navasota shall use all commercially reasonable efforts to have the Resulting Issuer Shares listed on the CSE.

(g) **Preparation of Filings.** IMC and Navasota shall cooperate in the preparation of any documents and taking of all actions reasonably deemed by IMC or Navasota to be necessary to discharge their respective obligations under applicable Laws in connection with the Business Combination and all other matters contemplated in the Documents, and in connection therewith:

(i) each of IMC and Navasota shall furnish to the other all such information concerning it and its shareholders as may be required to effect the actions described in this Article 2, and each covenants that no information furnished by it in connection with such actions or otherwise in connection with the consummation of the Business Combination will contain any untrue statement of a material fact or omit to state a material fact required to be stated in any such document or necessary in order to make any information so furnished for use in any such document not misleading in the light of the circumstances in which it is furnished or to be used;

(ii) IMC and Navasota shall each promptly notify the other if at any time before the Effective Date it becomes aware that the Listing Statement contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements contained therein not misleading in light of the circumstances in which they are made, or that otherwise requires an amendment or supplement to the Listing Statement. In any such event, IMC and Navasota shall cooperate in the preparation of a supplement or amendment to the Listing Statement, as required and as the case may be, and, if required, shall cause the same to be filed with the applicable Securities Authorities; and

(iii) each of IMC and Navasota shall ensure that the Listing Statement complies with all applicable Laws and, without limiting the generality of the foregoing, that the Listing Statement does not contain any untrue statement of a material fact or omit to state a material fact with respect to itself required to be stated therein or necessary to make the statements contained therein not misleading in light of the circumstances in which they are made.

2.3 Board of Directors and Senior Officers

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

Name	Title
Oren Shuster	Director, Chief Executive Officer and Board Chairman
Steven Mintz	Director
Marc Lustig	Director
Jesse Kaplan	Director
Shai Shemesh	Chief Financial Officer
Amir Goldstein	Chief Operating Officer

2.4 Accredited Investor Status of U.S. Holders

Each holder of IMC Shares, IMC Warrants, IMC Options, IMC Agent Warrants, Finco Shares or Finco agent warrants who is resident in the United States or otherwise a "U.S. Person", as defined in Regulation S under the U.S. Securities Act, is in the United States, or consents to the Business Combination from within the United States, will, as a condition of receiving Resulting Issuer Shares or Resulting Issuer Convertible Securities, as applicable, upon completion of the Business Combination, be required to deliver a certificate in a form satisfactory to Navasota and IMC as to their status as a U.S. Accredited Investor, together with any supporting information as reasonably requested by Navasota or IMC in order to confirm their status or information regarding the availability of an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws for the issuance of such securities of the Resulting Issuer to such holder and any certificate representing such securities delivered to such holder shall bear a U.S. legend substantially in the following form:

> "THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**U.S. SECURITIES ACT**"), OR UNDER ANY STATE SECURITIES LAWS. THE HOLDER HEREOF, BY PURCHASING THESE SECURITIES, AGREES FOR THE BENEFIT OF THE CORPORATION THAT THESE SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, DIRECTLY OR INDIRECTLY ONLY (A) TO THE CORPORATION, (B) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT AND IN COMPLIANCE WITH CANADIAN LOCAL LAWS AND REGULATIONS, (C) IN COMPLIANCE WITH (I) RULE 144A OF THE U.S. SECURITIES ACT, IF APPLICABLE, TO A PERSON WHO THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER THAT IS PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE OFFER, SALE OR TRANSFER IS BEING MADE IN RELIANCE OF RULE 144A, OR (II) RULE 144 OF THE U.S. SECURITIES ACT, IF APPLICABLE, AND, IN EACH CASE, IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS, OR (D) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE U.S. SECURITIES ACT AND ANY APPLICABLE STATE SECURITIES LAWS, AND, IN THE CASE OF (C)(II) AND (D), THE SELLER FURNISHES TO THE CORPORATION AN OPINION OF COUNSEL OF RECOGNIZED STANDING IN FORM AND SUBSTANCE SATISFACTORY TO THE CORPORATION TO SUCH EFFECT. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE

"GOOD DELIVERY" IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA."

In addition, all Resulting Issuer Convertible Securities will also bear the following legend:

"THE SECURITIES REPRESENTED HEREBY 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 SECURITY 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 SECURITY 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."

ARTICLE 3
ISRAELI MERGER

3.1 Merger Proposal and IMC Meeting

(a) As promptly as practicable after the execution and delivery of this Agreement:

(i) IMC and Subco1 shall complete and execute the Merger Proposal in the form reasonably acceptable to Navasota;

(ii) IMC and Subco1 shall cause the Merger Proposal to be executed in accordance with Section 316 of the Companies Law;

(iii) IMC shall call the IMC Meeting; and

(iv) each of IMC and Subco1 shall deliver the Merger Proposal to the Israeli Registrar of Companies within three days from the calling of the IMC Meeting in accordance with Section 317(a) of the Companies Law.

3.2 Notice to Creditors

(a) IMC and Subco1 shall cause a copy of the Merger Proposal to be delivered to each of their respective secured creditors, if any, no later than three days after the date on which the Merger Proposal is delivered to the Israeli Registrar of Companies, and each of their respective material creditors, if any, no later than three days after the date on which the Merger Proposal is delivered to the Israeli Registrar of Companies, and shall promptly inform their respective non-secured creditors of the Merger Proposal and its contents in accordance with Section 318 of the Companies Law and the regulations promulgated thereunder.

(b) In addition to the foregoing, IMC and, if applicable, Subco1, shall:

(i) publish a notice to its creditors, stating that a Merger Proposal was submitted to the Israeli Registrar of Companies and that the creditors may review the Merger Proposal at the office of the Israeli Registrar of Companies, IMC's registered

offices or Subco1's registered offices, as applicable, and at such other locations as IMC or Subco1, as applicable, may determine, in (i) two daily Hebrew newspapers and a newspaper in such other locations as required by the Companies Law, on the day that the Merger Proposal is submitted to the Israeli Registrar of Companies, and (ii) if required, in such other manner as may be required by any applicable law and regulations;

(ii) within four business days from the date of submitting the Merger Proposal to the Israeli Registrar of Companies, send a notice by registered mail to all of the "**Substantial Creditors**" (as such term is defined in the regulations promulgated under the Companies Law) that IMC or Subco1, as applicable, is aware of, in which it shall state that a Merger Proposal was submitted to the Israeli Registrar of Companies and that the creditors may review the Merger Proposal at such additional locations, if such locations were determined in the notice referred to in paragraph (A) above;

(iii) display in a prominent place at IMC's premises a copy of the notice published in a daily Hebrew newspaper, no later than three business days following the day on which the Merger Proposal was submitted to the Israeli Registrar of Companies;

(iv) after having complied with the foregoing, IMC and Subco1 shall promptly inform the Israeli Registrar of Companies, but in any event no later than three days following the date on which such notices were sent to the creditors and/or published, applicable, in accordance with Section 317(b) of the Companies Law, that notice was given to their respective creditors under Section 318 of the Companies Law and the regulations promulgated thereunder; and

(v) for the purposes of this Article 3 only, the term "**business day**" shall have the meaning set forth in the Israeli Merger Regulations 5760-2000 promulgated under the Companies Law.

3.3 Certificate of Merger

(a) In accordance with customary practice with the Israeli Registrar of Companies, Subco1 and IMC shall request that the Israeli Registrar of Companies declare the Merger effective on the Effective Date and issue the Certificate of Merger upon such date.

(b) For the avoidance of doubt, the completion of the statutory merger process and the request for issuance of a Certificate of Merger from the Israeli Registrar of Companies shall be subject to coordination by the Parties and fulfillment or waiver of all of the conditions set forth in Article 6 below.

(c) For the further avoidance of doubt, and notwithstanding any provision of this Agreement to the contrary, it is the intention of the parties that the Merger shall be declared effective and the Certificate of Merger shall be issued on the Effective Date, as a condition to the Amalgamation taking place.

3.4 Share Exchange under the Merger

(a) Upon the issuance of the Certificate of Merger: (i) the Israeli Trustee shall be deemed to be the registered holder of the Resulting Issuer Shares, on behalf of the IMC

Shareholders which are entitled to such Resulting Issuer Shares hereunder; (ii) the Resulting Issuer shall deposit such Resulting Issuer Shares with the Depositary and/or the electronic positions representing such Resulting Issuer Shares with CDS, as applicable, to satisfy the consideration issuable to such IMC Shareholders; and (iii) certificates formerly representing IMC Shares which are held by such IMC Shareholders shall cease to represent any claim upon or interest in IMC other than the right of the registered holder to receive the number of Resulting Issuer Shares to which it is entitled hereunder, all in accordance with the provisions of the Merger Proposal.

(b) As soon as reasonably practicable after the Effective Date, the Depositary will forward to, or hold for pick-up by, each former IMC Shareholder that submitted a duly completed Letter of Transmittal, a DRS Statement or other evidence of entitlement to the Depositary, together with the certificate (if any) representing the IMC Shares held by such IMC Shareholder or such other evidence of ownership of such IMC Shares as is satisfactory to the Depositary, acting reasonably, (i) the certificates or DRS Statements representing the Resulting Issuer Shares to which such IMC Shareholder is entitled, in accordance with its Letter of Transmittal, or (ii) confirmation of a non-certificated electronic position transfer in CDS representing the Resulting Issuer Shares to which such IMC Shareholder is entitled, in accordance with its Letter of Transmittal, all in accordance with the provisions of the Merger Proposal.

(c) The Resulting Issuer, as the registered holder of the Subco1 Shares, shall be deemed to be the beneficiary of the Surviving Company Shares to which it is entitled hereunder, which shall be held by the Israeli Trustee for its benefit, and the Israeli Trustee shall be entitled to receive, on behalf of the Resulting Issuer, a share certificate representing the number of Surviving Company Shares to which the Resulting Issuer is entitled hereunder. Until delivery of such certificate, the share certificate or certificates representing the Subco1 Shares held by the Resulting Issuer will be evidence of the Resulting Issuer's right to be registered as a shareholder of the Surviving Company. Share certificates evidencing Subco1 Shares shall cease to represent any claim upon or interest in Subco1 other than the right of the registered holder to receive the number Surviving Company Shares to which it is entitled pursuant to the terms hereof and the Merger.

ARTICLE 4
REPRESENTATIONS AND WARRANTIES

4.1 Representations and Warranties of IMC

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

(a) IMC has been duly incorporated and is validly existing under the laws of the State of Israel and, except as listed in the Disclosure Letter, is current and up-to-date with all filings required to be made by it in such jurisdiction;

(b) Each of the IMC Subsidiaries has been duly incorporated and is validly existing under the laws of its jurisdiction of formation and is current and up-to-date with all filings required to be made by it in such jurisdiction, and all of the issued shares in the capital of each of the IMC Subsidiaries are owned directly or indirectly by IMC, free and clear of any pledge, lien, security interest, charge, claim or encumbrance or in relation to inter-corporate security;

(c) IMC has full corporate power, capacity and authority to undertake all steps of the Business Combination contemplated in the Documents and to carry out its obligations under this Agreement;

(d) the authorized capital of IMC consist of 20,000,000 IMC Shares, of which, at the date hereof, there are 12,282,749 IMC Shares issued and outstanding; except for such IMC Shares and the IMC Convertible Securities, IMC has no other securities issued and outstanding at the date hereof;

(e) neither IMC nor any one of the IMC Subsidiaries is a party to and has not granted any agreement, warrant, option or right or privilege capable of becoming an agreement, for the purchase, subscription or issuance of any IMC Shares or any shares of any one of the IMC Subsidiaries, or securities convertible into or exchangeable for IMC Shares or shares of any IMC Subsidiary other than under the terms of the IMC Restructuring Documents and the IMC Convertible Securities;

(f) IMC is not a reporting issuer nor an associate of any reporting issuer (as defined in the *Securities Act* (Ontario) or the *Securities Act* of any other province of Canada) and the IMC Shares do not trade on any exchange, including, without limitation, the Tel Aviv Stock Exchange;

(g) except as listed in the Disclosure Letter, IMC and each of the IMC Subsidiaries has all requisite corporate capacity, power and authority, and possesses all certificates, authority, permits and licenses issued by the appropriate state, provincial, municipal or federal regulatory agencies or bodies necessary to conduct the business as now conducted by IMC on a consolidated basis, and to own its assets, and is in compliance in all material respects with such certificates, authorities, permits or licenses. Neither IMC nor any one of the IMC Subsidiaries has received any notice of proceedings relating to the revocation or modification of any such certificate, authority, permit or license which, singly or in the aggregate, if the subject of an unfavourable decision, order, finding or ruling, would adversely affect the conduct of the business, operations, financial condition, income or future prospects of IMC on a consolidated basis. Neither IMC nor any one of the IMC Subsidiaries has any responsibility or obligation to pay any commission, royalty, license or similar payment to any person (other than mandatory payments to the appropriate state, provincial, municipal or federal regulatory agencies and applicable laws of Israel) with respect thereto;

(h) IMC and each of the IMC Subsidiaries is the absolute legal and beneficial owner of, and has good and marketable title to, all of the material property or assets thereof free of all mortgages, liens, charges, pledges, security interests, encumbrances, claims or demands whatsoever;

(i) each of the Documents has been or at the Effective Time will be, duly authorized, and with respect to this Agreement, executed and delivered by IMC and constitutes a valid and binding obligation of IMC enforceable in accordance with its terms (subject to such limitations and prohibitions as may exist or may be enacted in applicable laws relating to bankruptcy, insolvency, liquidation, moratorium, reorganization, arrangement or winding-up and other laws, rules and regulations of general application affecting the rights, powers, privileges, remedies and/or interests of creditors generally) and no other corporate proceeding on the part of IMC, other than the submission of the Merger to the IMC Shareholders and as specified in this Agreement, is necessary to authorize this Agreement and the transactions contemplated hereby;

(j) the entering into and the performance by IMC of the Business Combination contemplated in the Documents: (a) do not require any consent, approval, authorization or order of any court or governmental agency, body or Government Authority, except that which may be required under applicable corporate and securities legislation and the policies of the CSE and as specified in this Agreement; (b) will not contravene any statute or regulation of any Government Authority which is binding on IMC or any of the IMC Subsidiaries where such contravention would have a Material Adverse Effect; and (c) will not result in the breach of, or be in conflict with, or constitute a default under, or create a state of facts which, after notice or lapse of time, or both, would constitute a default under any term or provision of the constating documents, by-laws or resolutions of IMC or any of the IMC Subsidiaries or any mortgage, note, indenture, contract or agreement instrument, lease or other document to which IMC or any of the IMC Subsidiaries is a party, or any judgment, decree or order or any term or provision thereof, which breach, conflict or default would have a Material Adverse Effect;

(k) there are no legal, regulatory, governmental or similar proceedings pending or, to the knowledge of IMC, contemplated or threatened, to which IMC or any one of the IMC Subsidiaries is a party or to which the property of IMC or any of the IMC Subsidiaries is subject;

(l) IMC and each of the IMC Subsidiaries maintains insurance against loss or damage in respect of its assets, business and operations, with responsible insurers on a basis consistent with insurance obtained by reasonably prudent participants in comparable businesses;

(m) IMC is not aware of any legislation, which it anticipates will materially and adversely affect the business, affairs, operations, assets, liabilities (contingent or otherwise) or prospects of IMC or the IMC Subsidiaries;

(n) except as listed in the Disclosure Letter, and other than the requirements under the applicable laws of Israel, neither IMC nor any one of the IMC Subsidiaries is party to or bound or affected by any commitments, agreement or document containing any covenant which expressly limits the freedom of IMC and the IMC Subsidiaries to compete in any line of business or with any person other than for certain exclusive distribution arrangements in particular territories, or to transfer or move any of its assets or operations;

(o) IMC and the IMC Subsidiaries own and possess adequate enforceable rights to use all trademarks, patents, copyrights and trade secrets used or proposed to be used in the conduct of the business thereof and, to the knowledge of IMC, neither IMC nor any of the IMC Subsidiaries is infringing upon the rights of any other person with respect to any such trademarks, patents, copyrights or trade secrets and, no person has infringed any such trademark, patents, copyrights or trade secrets;

(p) all taxes (including income taxes, capital tax, payroll taxes, employer health taxes, workers' compensation payments, property taxes, sales, use, goods and services taxes, value-added taxes, custom and land transfer taxes), duties, royalties, levies, imposts, assessments, charges or withholdings and all liabilities with respect thereto including any penalty and interest payable with respect thereto (collectively, "**Taxes**") due and payable by IMC and the IMC Subsidiaries have been paid or a provision made therefor except where the failure to pay such Taxes would not result in a Material Adverse Effect for IMC or the IMC Group. All tax returns, declarations, remittances and filings required to be filed

by IMC and the IMC Subsidiaries have been filed with all appropriate Government Authorities and all such returns, declarations, remittances and filings are complete and accurate and no material fact or facts have been omitted therefrom which would make any of them misleading. To the knowledge of IMC, no examination of any tax return of IMC or any one of the IMC Subsidiaries is currently in progress and there are no issues or disputes outstanding with any Government Authority respecting any Taxes that have been paid, or may be payable, by IMC and the IMC Subsidiaries. There are no agreements with any taxation authority providing for an extension of time for any assessment or reassessment of Taxes with respect to IMC or any of the IMC Subsidiaries;

(q) Other than in connection with the Financing, there is no person, firm or company acting or purporting to act at the request of IMC who is or will be entitled to any brokerage or finder's fee in connection with the transactions contemplated herein;

(r) Except as disclosed in Disclosure Letter, IMC and each of the IMC Subsidiaries has conducted and is conducting its business in compliance in all material respects with all applicable Laws of each jurisdiction in which it carries on business and with all Laws material to its operation, and neither IMC nor any one of the IMC Subsidiaries has received any notice of the revocation or cancellation of, or any intention to revoke or cancel, any of the licenses, leases or other instruments conferring rights to IMC or any one of the IMC Subsidiaries for the conduct of their business;

(s) to the knowledge of IMC, all activities of IMC and the IMC Subsidiaries have been, up to and including the date hereof, conducted in compliance, in all material respects, with any and all applicable Laws, including, without limitation, Environmental Laws as defined below;

(t) to the knowledge of IMC, any and all material agreements pursuant to which IMC or any one of the IMC Subsidiaries holds any of their material assets are valid and subsisting agreements in full force and effect, enforceable in accordance with their respective terms, neither IMC nor any of the IMC Subsidiaries is in default of any of the material provisions of any such agreements including, without limitation, failure to fulfil any payment or work obligation thereunder nor has any such default been alleged, IMC is not aware of any material disputes with respect thereto and such assets are in good standing under the applicable statutes and regulations of the jurisdictions in which they are situated, all leases, licenses and concessions pursuant to which IMC and the IMC Subsidiaries derive their interests in such material assets are in good standing and there has been no material default under any such leases, licenses and concessions and all real or other property taxes required to be paid with respect to such assets to the date hereof have been paid;

(u) to the knowledge of IMC, all the properties in which IMC or the IMC Subsidiaries have any freehold, leasehold, license or other interest are free and clear of any hazardous or toxic material, pollution, or other adverse environmental conditions which may give rise to any and all claims, actions, causes of action, damages, losses, liabilities, obligations, penalties, judgments, amounts paid in settlement, assessments, costs, disbursement or expenses (including, without limitation, attorneys' fees and costs, experts' fees and costs, and consultant's fees and costs) of any kind or of any nature whatsoever that are asserted against IMC or any of the IMC Subsidiaries, alleging liability (including, without limitation, liability for studies, testing or investigatory costs, cleanup costs, response costs, removal costs, remediation costs, contaminant costs, restoration costs, corrective

action costs, closure costs, reclamation costs, natural resource damages, property damages, business losses, personal injuries, penalties or fines) arising out of, based on or resulting from (i) the presence, release, threatened release, discharge or emission into the environment of any hazardous materials or substances existing or arising on, beneath or above properties and/or emanating or migrating and/or threatening to emanate or migrate from such properties to off-site properties; (ii) physical disturbance of the environment; and (iii) the violation or alleged violation of all applicable Laws aimed at reclamation or restoration of such properties; abatement of pollution; protection of the environment, protection of wildlife, including endangered species; ensuring public safety from environmental hazards; protection of cultural and historic resources; management, storage or control of hazardous materials and substances; releases or threatened releases of pollutants, contaminants, chemicals or industrial, toxic or hazardous substances as wastes into the environment, including without limitation, ambient air, surface water and groundwater; and all other applicable Laws relating to the manufacturing, processing, distribution, use, treatment, storage, disposal, handling or transport of pollutants, contaminants, chemicals or industrial, toxic or hazardous substances or wastes (collectively, "**Environmental Laws**"); and to the knowledge of IMC, after due inquiry, all environmental approvals required pursuant to Environmental Laws with respect to activities carried out on any part of the lands covered by such properties, have been obtained, are valid and in full force and effect and have been complied with; and there are no proceedings commenced or threatened to revoke or amend any such environmental approvals;

(v) except as disclosed in the Disclosure Letter, neither IMC nor any one of the IMC Subsidiaries has any loan or other indebtedness outstanding which has been made to any of its shareholders, officers, directors or employees, past or present, or any person not dealing at "arm's length" (as such term is defined in the *Income Tax Act* (Canada));

(w) to the knowledge of IMC, there are no outstanding labour disputes, (whether filed or lodged with IMC or any of the IMC Subsidiaries or any other person or organization), pending labour disruptions or pending unionization with respect to IMC or the IMC Subsidiaries;

(x) except for expansion orders that are applicable to the entire industry, neither IMC nor any one of the IMC Subsidiaries is bound by or a party to any collective bargaining agreement;

(y) there is not, in the constating documents or in any agreement, mortgage, note, debenture, indenture or other instrument or document to which IMC or any one of the IMC Subsidiaries is a party, any restriction upon or impediment to the declaration or payment of dividends by the directors of IMC or the IMC Subsidiaries or the payment of dividends by IMC or the IMC Subsidiaries to the holders of their securities;

(z) except as disclosed in the Disclosure Letter, neither IMC nor any one of the IMC Subsidiaries is party to any loan, bond, debenture, promissory note or other instrument evidencing indebtedness (demand or otherwise) for borrowed money ("**Debt Instrument**") or any agreement contract or commitment to create, assume or issue any Debt Instrument;

(aa) except as disclosed in the Disclosure Letter, neither IMC nor any one of the IMC Subsidiaries is a party to any agreement, nor is IMC nor any one of the IMC Subsidiaries

aware of any agreement, which in any manner affects the voting control of any of the IMC Shares or other securities of IMC or the IMC Subsidiaries;

(bb) neither IMC nor any one of the IMC Subsidiaries is aware of any pending or contemplated change to any applicable Law or governmental position that would materially affect the business of IMC or the IMC Subsidiaries taken as a whole or the legal environments under which IMC and the IMC Subsidiaries operate;

(cc) no representation, warranty or statement of IMC in this Agreement contains or will contain at the Effective Time any untrue statement of a material fact or omits or will omit to state any material fact necessary to make the statements contained herein or therein, in light of the circumstances under which made, not misleading;

(dd) the corporate records and minute books of IMC and the IMC Subsidiaries contain, in all material respects, minutes of all meetings of the directors and shareholders since their respective dates of incorporation, together with the full text of all resolutions of directors and shareholders passed in lieu of such meetings, duly signed; and

(ee) IMC has performed all of the obligations required to be performed by it and is entitled to all benefits under, and is not in default or alleged to be in default in respect of, any of the IMC Restructuring Documents. All such IMC Restructuring Documents are in good standing and in full force and effect, and no event, condition or occurrence exists that, after notice or lapse of time or both, would constitute a default under any such IMC Restructuring Document. There is no dispute between the IMC and any other party under any such IMC Restructuring Documents. None of the IMC Restructuring Documents contain terms under which the execution or performance of this Agreement would give any other contracting party the right to terminate or adversely change the terms of that IMC Restructuring Document or otherwise require the consent of any other Person. None of the IMC Restructuring Documents have been assigned in whole or in part.

(ff) As of the date hereof, the Disclosure Letter set forth a list of all material agreements of IMC (each, a "**Material Contract**"). Other than as set forth in the Disclosure Letter, there are no agreements, understandings, arrangements or other commitments, written or oral, to which IMC is a party or by which it is bound which are deemed material to IMC and of which IMC is aware. Each Material Contract that is listed in the Disclosure Letter is, to IMC's knowledge, in full force and effect (according to its terms).

(gg) The Disclosure Letter sets forth all of the contracts to which IMC and/or any of its Subsidiaries is a party or by which it is bound.

(hh) The responses given by IMC and its officers and directors in the Due Diligence Session were true and correct where they relate to matters of fact in all material respects as at the time such responses were given and at the date hereof, and such responses taken as a whole do not omit any fact or information necessary to make any of the responses not misleading in light of the circumstances in which such responses were given. Where such responses reflect the opinion or view of IMC or such officers and directors (including, responses or portions of such responses, which are forward-looking or otherwise relate to projections, forecasts or estimates of future performance or results (operating, financial or otherwise)), such opinions or views were honestly held and believed to be reasonable at the time they were given and at the date hereof.

4.2 Representations and Warranties of Navasota

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

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

(b) Navasota has full corporate power, capacity and authority to undertake all steps of the Business Combination contemplated in the Documents and to carry out its obligations under this Agreement;

(c) the authorized capital of Navasota consists of an unlimited number of Navasota Shares, of which 9,778,766 Navasota Shares are currently issued and outstanding prior to giving effect to the Consolidation; except for such Navasota Shares and 2,000,000 Navasota Warrants, Navasota has no other securities outstanding nor is it a party to or has granted any agreement, warrant, option or right or privilege capable of becoming an agreement, for the purchase, subscription or issuance of any Navasota Shares or securities convertible into or exchangeable for Navasota Shares;

(d) on the Effective Date, the Resulting Issuer Shares will be duly and validly issued and outstanding as fully paid and non-assessable and the Resulting Issuer Convertible Securities will be duly and validly created and issued;

(e) since January 31, 2018, and with the exception of the private placement and debt settlement transactions disclosed in its news releases of April 13, 2018 and June 26, 2018, respectively, the agreements to effect the Business Combination and the Financing, Navasota has not entered into any contract in respect of its business or assets, other than in the ordinary course of business, and has continued to carry on its business and maintain its assets in the ordinary course of business, with the exception of reasonable costs incurred in connection with the Business Combination, and without limitation but subject to the above exceptions, has maintained payables and other liabilities at levels consistent with past practice, not engaged or committed to engage in any extraordinary material transactions and has not made or committed to make distributions, dividends or special bonuses;

(f) Navasota is a reporting issuer, or the equivalent thereof, in the provinces of British Columbia and Alberta (collectively, the "**Reporting Jurisdictions**") and is not currently in default of any requirement of the applicable laws of each of the Reporting Jurisdictions and other regulatory instruments of the Securities Authorities in such provinces, and no order ceasing, halting or suspending trading in securities of Navasota or prohibiting the distribution of such securities has been issued to and is outstanding against Navasota and no investigations or proceedings for such purposes are, to the knowledge of Navasota, pending or threatened;

(g) Navasota is in compliance in all material respects with all its disclosure obligations under applicable Laws and all documents filed by Navasota pursuant to such obligations are in compliance in all material respects with applicable Laws and, other than in respect of documents that have been amended or refiled did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to

make the statements therein, in light of the circumstances under which they were made, not misleading;

(h) Navasota has no associates (as defined in the *Securities Act* (Ontario)), other than the Navasota Subsidiaries, and is not a partner, co-tenant, joint venturer or otherwise a participant in any partnership, joint venture, co-tenancy or other similarly joint owned business;

(i) Navasota has all requisite corporate capacity, power and authority, and possesses all material certificates, authority, permits and licenses issued by the appropriate state, provincial, municipal or federal regulatory agencies or bodies necessary to conduct the business as now conducted by it and to own its assets and is in compliance in all material respects with such certificates, authorities, permits or licenses. Navasota has not received any notice of proceedings relating to the revocation or modification of any such certificate, authority, permit or license which, singly or in the aggregate, if the subject of an unfavourable decision, order, finding or ruling, would materially and adversely affect the conduct of the business, operations, financial condition, income or future prospects of Navasota;

(j) each of the Documents has been, or at the Effective Time will be, duly authorized and, with respect to this Agreement, executed and delivered by Navasota and constitutes a valid and binding obligation of Navasota enforceable in accordance with its terms (subject to such limitations and prohibitions as may exist or may be enacted in applicable laws relating to bankruptcy, insolvency, liquidation, moratorium, reorganization, arrangement or winding-up and other laws, rules and regulations of general application affecting the rights, powers, privileges, remedies and/or interests of creditors generally) and no other corporate proceeding on the part of Navasota, other than the approval of the matters for which shareholder approval is to be sought at the Navasota Meeting in accordance with this Agreement, is necessary to authorize this Agreement and the transactions contemplated hereby;

(k) the entering into and the performance by Navasota of the transactions contemplated in the Documents:

(i) do not require any consent, approval, authorization or order of any court or governmental agency or body, except that which may be required under applicable corporate and securities legislation and the policies of the CSE;

(ii) will not contravene any statute or regulation of any Government Authority which is binding on Navasota where such contravention would have a Material Adverse Effect; and

(iii) will not result in the breach of, or be in conflict with, or constitute a default under, or create a state of facts which, after notice or lapse of time, or both, would constitute a default under any term or provision of the constating documents, by-laws or resolutions of Navasota or any mortgage, note, indenture, contract or agreement, instrument, lease or other document to which Navasota is or will be a party, or any judgment, decree or order or any term or provision thereof, which breach, conflict or default would have a Material Adverse Effect;

(l) there are no legal or governmental proceedings pending or, to the knowledge of Navasota, contemplated or threatened, to which Navasota is a party or to which the assets or property of Navasota is subject;

(m) the audited consolidated annual financial statements of Navasota for the years ended April 30, 2019 and 2018 and the notes thereto (collectively, the "**Navasota Financial Statements**"), in each case, have been prepared in accordance with IFRS, present fairly, in all material respects, the financial position of Navasota as at such date, and do not omit to state any material fact that is required by IFRS or by applicable law to be stated or reflected therein or which is necessary to make the statements contained therein not misleading;

(n) Neither Navasota nor any one of the Navasota Subsidiaries has any outstanding material liability, whether direct, indirect, absolute or contingent or otherwise, which is not reflected in the Navasota Financial Statements;

(o) except as disclosed to IMC in writing and as will be disclosed in the Listing Statement, Navasota is not party to any material contract as of the date hereof;

(p) except as disclosed in the Navasota Financial Statements, Navasota has not engaged in any transaction with any non-arm's length person since the beginning of the period covered by the Navasota Financial Statements;

(q) all Taxes due and payable by Navasota have been paid or provision made therefor in the financial statements of Navasota except for where the failure to pay such Taxes would not result in a Material Adverse Effect for Navasota. All tax returns, declarations, remittances and filings required to be filed by Navasota have been filed with all appropriate Government Authorities and all such returns, declarations, remittances and filings are complete and accurate and no material fact or facts have been omitted therefrom which would make any of them misleading. To the knowledge of Navasota, no examination of any tax return of Navasota is currently in progress and there are no issues or disputes outstanding with any Government Authority respecting any Taxes that have been paid, or may be payable, by Navasota. There are no agreements with any taxation authority providing for an extension of time for any assessment or reassessment of Taxes with respect to Navasota;

(r) there is no person, firm or company acting or purporting to act at the request of Navasota who is entitled to any brokerage or finder's fee in connection with the transactions contemplated in the Documents;

(s) Navasota carries on no active business;

(t) other than any non-compliance which would not result in a Material Adverse Effect in respect of Navasota, to the knowledge of Navasota, after due inquiry all activities of Navasota have been, up to and including the date hereof, conducted in compliance, in all material respects, with any and all applicable Laws;

(u) Navasota is not bound by or a party to any employment contracts. No current or former director, officer, shareholder, employee or independent contractor of Navasota or any person not dealing at arm's length within the meaning of the *Income Tax Act* (Canada) with any such person is indebted to Navasota;

(v) there is not, in the constating documents or in any agreement, mortgage, note, debenture, indenture or other instrument or document to which Navasota is a party any restriction upon or impediment to, the declaration or payment of dividends by the directors of Navasota or the payment of dividends by Navasota to the holders of its securities;

(w) Navasota is not a party to any Debt Instrument or any agreement, contract or commitment to create, assume or issue any Debt Instrument;

(x) Navasota is not a party to or bound or affected by any commitment, agreement or document containing any covenant which expressly limits the freedom of Navasota to compete in any line of business, or to transfer or move any of its assets or operations or which materially or adversely affects the business practices, operations or condition of Navasota or which would prohibit or restrict Navasota from entering into and completing the Business Combination;

(y) Navasota is not a party to any agreement nor is Navasota aware of any agreement, which in any manner affects the voting control of any of the securities of Navasota;

(z) Navasota is not aware of any pending or contemplated change to any applicable Law or governmental position that would materially affect the business of Navasota;

(aa) the corporate records and minute books of Navasota contain, in all material respects, complete and accurate minutes of all meetings of the directors and shareholders since its date of incorporation, together with the full text of all resolutions of directors and shareholders passed in lieu of such meetings, duly signed;

(bb) no representation, warranty or statement of Navasota or Subco1 in the Documents contains or will contain at the Effective Time any untrue statement of a material fact or omits or will omit to state any material fact necessary to make the statements contained herein or therein, in light of the circumstances under which made, not misleading;

(cc) Navasota does not maintain any insurance; and

(dd) no Resulting Issuer Shares or Resulting Issuer Convertible Securities shall be delivered to any person in the United States or to any U.S. Person that is not a U.S. Accredited Investor and, if doing so would result in any contravention of the U.S. Securities Act or any applicable U.S. state securities laws, then may instead, in the case of Resulting Issuer Shares, appoint an agent to sell the Resulting Issuer Shares of such person on behalf of that person and deliver an amount of cash representing the proceeds of the sale of such Resulting Issuer Shares, net of expenses of sale, and, in the case of Resulting Issuer Convertible Securities, deliver an amount of cash representing the fair market value of the Resulting Issuer Convertible Securities issuable to such person.

4.3 Representations and Warranties of Subco1

Subco1 hereby represents and warrants to IMC, and acknowledges that IMC is relying upon these representations and warranties in connection with the entering into of this Agreement, as follows:

(a) Subco1 has been duly incorporated and is validly existing under the laws of the State of Israel and is current and up-to-date with all filings required to be made by it in such jurisdiction;

(b) Subco1 has full corporate power, capacity and authority to undertake all steps of the Business Combination contemplated in the Documents and to carry out its obligations under this Agreement;

(c) the authorized capital of Subco1 consists of 1,000 ordinary shares (each of NIS 1.00 par value), of which 100 ordinary shares are currently issued and outstanding and held by Navasota; except for such ordinary shares, Subco1 has no other securities outstanding nor is it a party to or has granted any agreement, warrant, option or right or privilege capable of becoming an agreement, for the purchase, subscription or issuance of any ordinary shares of Subco1 or securities convertible into or exchangeable for ordinary shares of Subco1;

(d) each of the Documents has been, or at the Effective Time will be, duly authorized and, with respect to this Agreement, executed and delivered by Subco1 and constitutes a valid and binding obligation of Subco1 enforceable in accordance with its terms (subject to such limitations and prohibitions as may exist or may be enacted in applicable laws relating to bankruptcy, insolvency, liquidation, moratorium, reorganization, arrangement or winding-up and other laws, rules and regulations of general application affecting the rights, powers, privileges, remedies and/or interests of creditors generally) and no other corporate proceeding on the part of Subco1, other than the approval of Navasota, as sole shareholder of Subco1, is necessary to authorize this Agreement and the transactions contemplated hereby;

(e) the entering into and the performance by Subco1 of the transactions contemplated in the Documents:

(i) do not require any consent, approval, authorization or order of any court or governmental agency or body, except that which may be required under applicable corporate and securities legislation and the policies of the CSE;

(ii) will not contravene any statute or regulation of any Government Authority which is binding on Subco1 where such contravention would have a Material Adverse Effect; and

(iii) will not result in the breach of, or be in conflict with, or constitute a default under, or create a state of facts which, after notice or lapse of time, or both, would constitute a default under any term or provision of the constating documents, by-laws or resolutions of Subco1 or any mortgage, note, indenture, contract or agreement, instrument, lease or other document to which Subco1 is or will be a party, or any judgment, decree or order or any term or provision thereof, which breach, conflict or default would have a Material Adverse Effect.

(f) Subco1 carries on no active business.

4.4 Survival

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

ARTICLE 5
COVENANTS

5.1 Conduct of Business by the Parties

Except as required by Law or is otherwise expressly permitted or specifically contemplated by this Agreement, each Party covenants and agrees that, during the period from the date of this Agreement until the earlier of either the Effective Time or the time that this Agreement is terminated by its terms, unless each of the other Parties shall otherwise agree in writing it shall, and shall cause its Subsidiaries to conduct business in, and not take any action except in, the usual and ordinary course of business, with the exception of reasonable costs incurred in connection with the Business Combination, and it shall and shall cause its Subsidiaries to use all commercially reasonable efforts to maintain and preserve its business organization, assets, employees and advantageous business relationships and it shall not, and shall cause its Subsidiaries to not, without the prior written consent of the other Parties, enter into any contract in respect of its business or assets, other than in the ordinary course of business, and without limitation but subject to the foregoing, shall maintain payables and other liabilities at levels consistent with past practice, shall not engage or commit to engage in any extraordinary material transactions and shall not make or commit to make distributions, dividends or special bonuses, without the prior written consent of the other Parties.

5.2 Representations and Warranties

(a) IMC covenants and agrees that from the date hereof until the termination of this Agreement it shall not take any action, or fail to take any action, which would or may reasonably be expected to result in the representations and warranties set out in Section 4.1 being untrue in any material respect.

(b) Navasota covenants and agrees that, from the date hereof until the termination of this Agreement it shall not take any action, or fail to take any action, which would or may reasonably be expected to result in the representations and warranties set out in Section 4.2 being untrue in any material respect.

(c) Subco1 covenants and agrees that, from the date hereof until the termination of this Agreement it shall not take any action, or fail to take any action, which would or may reasonably be expected to result in the representations and warranties set out in Section 4.3 being untrue in any material respect.

5.3 Notice of Material Change

(a) From the date hereof until the termination of this Agreement, each Party shall promptly notify the other Party in writing of:

(i) any material change (actual, anticipated, contemplated or, to the knowledge of such Party or any of its Subsidiaries, threatened, financial or otherwise) in the business, affairs, operations, assets, liabilities (contingent or otherwise) or capital of such Party and its Subsidiaries, taken as whole;

(ii) any change in the facts relating to any representation or warranty set out in Sections 4.1, 4.2 or 4.3 hereof, as applicable, which change is or may be of such a nature as to render any such representation or warranty misleading or untrue in a material respect; or

(iii) any material fact which arises and which would have been required to be stated herein had the fact arisen on or prior to the date of this Agreement.

(b) Each of the Parties shall in good faith discuss with the other any change in circumstances (actual, anticipated, contemplated or, to its knowledge of its or any of its Subsidiaries, threatened, financial or otherwise) which is of such a nature that there may be a reasonable question as to whether notice need to be given to the other pursuant to this Section.

5.4 Non-Solicitation

(a) None of the Parties shall solicit any offers to purchase their respective shares or assets, or any portion above 5% thereof, and neither of Navasota nor IMC will, directly or indirectly, initiate, enter into or encourage any discussions or negotiations with any third party with respect to such a transaction or amalgamation, merger, take-over, plan of arrangement or similar transaction or a Going Public Transaction other than for this Business Combination during the period commencing on the date hereof and ending on the termination of this Agreement. The Parties shall immediately cease and cause to be terminated any existing discussions or negotiations with any third party related to any of the foregoing. In the event any of the Parties is approached in respect of any such transaction, it shall immediately notify the other.

(b) Notwithstanding this Section 5.4 and any other provision of this Agreement, any IMC Shareholder shall, for greater certainty, have the right to sell, transfer and assign its IMC Shares to any other IMC Shareholder or to any officer and/or director of IMC subject to any applicable Laws.

5.5 Negative Covenants

Each Party agrees that, from the date hereof until the earlier of the termination of this Agreement and the completion of this Business Combination, it shall not directly or indirectly do or permit to occur any of the following:

(a) issue, grant, sell or pledge or agree to issue, grant, sell or pledge any shares, or securities convertible into or exchangeable or exercisable for, or otherwise evidencing a right to acquire shares other than:

(i) in the case of IMC:

(A) in connection with financing initiatives undertaken by IMC at a price that is not less than an issue price of $4.00 per offered security;

(B) the issuance of IMC Shares and/or warrants upon the exercise of any IMC Convertible Securities;

(C) the grant of up to 1,225,000 IMC Options and other similar issuances pursuant to the Plan to directors, officers, employees or consultants, provided that any IMC Option grants in excess of such 1,225,000 IMC Options must be exercisable at a price of not less than $4.00 per IMC Share on a pre-Merger basis; and

(D) in connection with *bona fide* acquisitions;

(ii) in the case of Navasota,

(A) in connection with the Financing; and

(B) the issuance of Navasota Shares upon the exercise of any Navasota Warrants;

(b) redeem, purchase or otherwise acquire any of its outstanding shares or other securities including, without limitation, under an issuer bid;

(c) adopt a plan of liquidation or resolutions providing for the liquidation, dissolution, merger, consolidation or reorganization of itself or any of its Subsidiaries, except as contemplated in this Agreement;

(d) borrow any cash or incur any indebtedness, except as expressly contemplated by this Agreement or with the prior written consent of the other Parties and, in the case of IMC, IMC shall be permitted, without any prior consent of the other Parties, to: (A) incur trade payables in the ordinary course; and (B) borrow amounts not to exceed $200,000 in the aggregate. In the event IMC requires to borrow an amount in excess of $200,000 (in the aggregate), IMC shall obtain the prior written consent of the other Parties, which consent shall not be unreasonably withheld;

(e) make loans, advances or other similar payments to any third party except as expressly contemplated by this Agreement and, in the case of IMC, IMC shall be permitted to (A) make routine advances to IMC employees for expenses incurred in the ordinary course; or (B) as consented to by the other Parties, which consent shall not be unreasonably withheld;

(f) declare, set aside or pay any dividend or other distribution or payment (whether in cash, shares or property) in respect of its shares owned by any Person other than inter-corporate loans and advances;

(g) amend its Governing Documents or otherwise split, combine or reclassify any of its shares in any manner which may adversely affect the success of the Business Combination, except as required to give effect to the matters contemplated in this Agreement;

(h) enter into any transaction or material contract, except in the case of IMC: (A) in connection with the IMC Restructuring; (B) in the ordinary course of business; and (C) engage in any business enterprise or activity different from that carried on as of the date hereof, without the prior written consent of the other Parties, which consent shall not be unreasonably withheld; and

(i) in the case of Navasota and Subco1, make any expenditures except those that are reasonably necessary to carry out the terms of this Agreement.

5.6 Support of Business Combination

(a) Each Party covenants and agrees that it shall:

(i) use its reasonable commercial efforts to cause its shareholders to vote their respective shares in favour of the Business Combination and all of the matters

contemplated thereunder, to take all reasonable actions to consummate the Business Combination and the transactions contemplated thereunder, subject only to the terms and conditions hereof and to not take any action contrary to or in opposition to the Business Combination, except as required by statutory law;

(ii) use all commercially reasonable efforts to obtain all appropriate Regulatory Approvals;

(iii) not, other than in connection with the Business Combination, reorganize, amalgamate or merge with any other person, nor acquire by amalgamating, merging or consolidating with, purchasing a majority of the voting securities or substantially all of the assets of or otherwise, any business or Person which acquisition or other transaction would reasonably be expected to prevent or materially delay the Business Combination contemplated hereby; and

(iv) co-operate fully with the other Parties and to use all reasonable commercial efforts to otherwise complete the Business Combination, unless such cooperation and efforts would subject such Party to liability or would be in breach of applicable Laws.

(b) IMC covenants and agrees that it shall to use its reasonable commercial efforts to cause each director and officer of IMC (subject to "**superior proposal**" carve outs), and each IMC Shareholder holding 10% or more of all issued and outstanding IMC Shares, to enter into a customary lock-up agreement in form and substance acceptable to Navasota (acting reasonably) pursuant to which such Person shall agree (i) to vote all IMC Shares held by such Person in favour of the Business Combination and the Merger; (ii) to comply with any escrow provisions imposed by the CSE and in accordance with Section 2.1(j); and (iii) not to sell, offer to sell, secure, transfer or otherwise dispose of any IMC Shares which such Person may hold until the earlier of (i) the completion of the Business Combination; and (ii) the termination of this Agreement.

(c) Navasota covenants and agrees that it shall to use its reasonable commercial efforts to cause each director and officer of Navasota (subject to "**superior proposal**" carve outs), and each Navasota Shareholder holding 10% or more of all issued and outstanding IMC Shares, to enter into a customary lock-up agreement in form and substance acceptable to Navasota (acting reasonably) pursuant to which such Person shall agree (i) to vote all Navasota Shares held by such Person in favour of the Business Combination and the Merger; (ii) to comply with any escrow provisions imposed by the CSE and in accordance with Section 2.1(j); and (iii) not to sell, offer to sell, secure, transfer or otherwise dispose of any Navasota Shares which such Person may hold until the earlier of (i) the completion of the Business Combination; and (ii) the termination of this Agreement.

5.7 Other Filings

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

5.8 Additional Agreements

Subject to the terms and conditions of this Agreement and subject to fiduciary obligations under applicable Laws, each of the Parties hereto agrees to use all commercially reasonable efforts to take,

or cause to be taken, all action and to do, or cause to be done, all things necessary, proper or advisable to consummate and make effective as promptly as practicable the Business Combination contemplated by this Agreement and to cooperate with each other in connection with the foregoing, including using commercially reasonable efforts:

(a) to obtain all necessary waivers, consents and approvals from other Parties to material agreements, leases and other contracts or agreements;

(b) to defend all lawsuits or other legal proceedings challenging this Agreement or the consummation of the Business Combination contemplated hereby;

(c) to cause to be lifted or rescinded any injunction or restraining order or other order adversely affecting the ability of the Parties to consummate the Business Combination contemplated hereby;

(d) to effect all necessary registrations and other filings and submissions of information requested by the CSE;

(e) to effect all necessary registrations and other filings and submissions of information requested by Government Authorities; and

(f) to fulfill all conditions and satisfy all provisions of this Agreement.

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

ARTICLE 6
CONDITIONS AND CLOSING MATTERS

6.1 Mutual Conditions Precedent

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

(a) the Financing shall have been completed on terms and conditions acceptable to IMC, acting reasonably;

(b) all requisite shareholder approvals of each of IMC, Navasota and Subco1 shall have been obtained;

(c) IMC and applicable IMC Holders will have received an interim tax-ruling from the ITA, which is satisfactory in form and substance to Navasota, according to which the Merger shall be confirmed as a merger by way of share exchange in accordance with either the provisions of: (i) Section 103t of the Tax Ordinance, or, in the event that the 103t ruling is not practical, (ii) a ruling issued in accordance with Section 104h of the Tax Ordinance (such ruling issued, the "**Ruling**"). For the avoidance of doubt, in the event that a permanent Ruling is not provided within 180 days as of the Effective Date or as otherwise determined by the ITA, the Israeli Trustee shall be entitled to withhold taxes in

accordance with the provisions of this Agreement. For the avoidance of doubt, the withholding shall be effected with regards to each IMC Holder to whom such withholding is due, by the sale of the applicable portion of Resulting Issuer Shares held for the benefit of such IMC Holder by the Israeli Trustee, in order to raise sufficient funds for the Israeli Trustee to pay the withholding tax to the ITA, as required under the Tax Ordinance, all unless such IMC Holder pays the Israeli Trustee an amount sufficient for the Israeli Trustee to pay the respective withholding tax due (the "**Withholding Payment Alternative**"). For the avoidance of doubt, in the event that the Israeli Trustee is unable to sell the required amount of Resulting Issuer Shares in order to raise sufficient funds to pay withholding taxes concerning a given IMC Holder, for any reason whatsoever, such IMC Holder will be deemed to automatically choose the Withholding Payment Alternative, all subject to the trust agreement to be entered into with the Israeli Trustee. All IMC Shares and IMC Convertible Securities and/or, to the extent the Ruling shall require, any Resulting Issuer Shares and Resulting Issuer Convertible Securities attributable to IMC Holders which are part of the applicable Ruling, shall be subject to the terms and conditions specified under such Ruling. IMC will provide Navasota counsel the language of the Ruling, prior to their submission, for its review and comments and inform Navasota of progress made with respect to meetings and discussions with the ITA with respect to the Ruling. Furthermore, Navasota shall have the right to review and comment on the language of the Rulings and IMC shall adequately address such comments and revise the language if deemed necessary and IMC may allow, if deemed necessary by IMC, Navasota's counsel to attend in meetings and participate in such discussions with the ITA. The counsel of IMC shall provide Navasota's counsel with an update of meetings and discussions held with the ITA with respect to the Ruling, within reasonable time and to the extent deemed necessary by IMC's counsel;

(d) All IMC Shareholders who are not Israeli residents shall have received a Withholding Certificate and shall have presented it to the Israeli Trustee;

(e) IMC and Subco1 shall have executed and delivered the Merger Proposal to the Israeli Registrar of Companies and a Certificate of Merger shall have been issued by the Israeli Registrar of Companies in respect of the Merger;

(f) Finco and Subco2 shall have executed and delivered the Amalgamation Application to the British Columbia Registrar of Companies and a Certificate of Amalgamation shall have been issued by the British Columbia Registrar of Companies in respect of the Amalgamation;

(g) the Resulting Issuer, upon completion of the Business Combination, shall meet the original listing requirements of the CSE;

(h) there shall have been no action taken under any applicable Law or by any Governmental Authority and there shall not be in force any order or decree restraining or enjoining the consummation of the Business Combination;

(i) all corporate and Regulatory Approvals shall have been obtained including, without limitation, approval of the Israeli Registrar of Companies for the Merger;

(j) each Party shall not have entered into any transaction or contract which would have a Material Adverse Effect on the financial and operational condition, or the assets of such Party, excluding those transactions or contracts undertaken in the ordinary course of business, without first discussing and obtaining the approval of the other Party; and

(k) this Agreement shall not have been terminated pursuant to Article 7.

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

6.2 Additional Conditions Precedent to the Obligations of IMC

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

(a) on or prior to the Effective Date, and effective upon completion of the Merger, each of the directors and officers of Navasota shall have tendered their resignations and provided releases in a form acceptable to IMC and the board of directors of Navasota, subject to the approval of the CSE, shall have been reconstituted, and the officers shall have been appointed, as set forth in Section 2.1(i);

(b) no Material Adverse Effect with respect to Navasota shall have occurred between the date hereof and the Effective Date;

(c) Navasota shall not have breached, or failed to comply with, in any material respect, any of its covenants or other obligations under this Agreement, and all representations and warranties of Navasota contained in this Agreement shall have been true and correct in all material respects as of the date of this Agreement and shall not have ceased to be true and correct in any material respect thereafter (provided, however, that if the breaching Party has been given written notice by the other Party specifying in reasonable detail any such misrepresentation, breach or non-performance, the breaching Party shall have had five (5) Business Days to cure such misrepresentation, breach or non-performance), and the CFO of Navasota or another officer satisfactory to IMC shall so certify immediately prior to the Effective Date;

(d) the board of directors and shareholders of Navasota, and the board of directors and sole shareholder of Subco1, Subco2 and Finco, as applicable, shall have adopted all necessary resolutions and all other necessary corporate actions shall have been taken by Navasota to permit the consummation of the Business Combination and the transactions contemplated therewith;

(e) Navasota shall have completed the Consolidation to the satisfaction of IMC, acting reasonably; and

(f) IMC shall have received from counsel to Navasota favourable legal opinions concerning such matters with respect to the Business Combination as are customary in similar transactions and as IMC and its counsel may reasonably request.

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

6.3 Additional Conditions Precedent to the Obligations of Navasota

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

(a) IMC shall have prepared the IMC Financial Statements;

(b) no Material Adverse Effect with respect to IMC or the IMC Subsidiaries taken as a whole shall have occurred between the date hereof and the Effective Date;

(c) IMC shall not have breached, or failed to comply with, in any material respect, any of its covenants or other obligations under this Agreement, and all representations and warranties of IMC contained in this Agreement shall have been true and correct in all material respects as of the date of this Agreement and shall not have ceased to be true and correct in any material respect thereafter (provided, however, that if the breaching Party has been given written notice by the other Party specifying in reasonable detail any such misrepresentation, breach or non-performance, the breaching Party shall have had five (5) Business Days to cure such misrepresentation, breach or nonperformance), and the CEO of IMC or another officer satisfactory to Navasota shall so certify immediately prior to the Effective Date;

(d) the board of directors of IMC and the IMC Shareholders shall have adopted all necessary resolutions and all other necessary corporate actions shall have been taken by IMC to permit the consummation of the Business Combination and the transactions contemplated therewith;

(e) Navasota shall have received from counsel to IMC favourable legal opinions concerning such matters with respect to the Merger and Business Combination as are customary in similar transactions and as Navasota and its counsel may reasonably request, including with respect to the corporate existence and ownership of the IMC Subsidiaries.

If any of the above conditions shall not have been complied with or waived by Navasota on or before the Completion Deadline or, if earlier, the date required for the performance thereof, then, subject to the cure provision provided for in Section 6.3(c), Navasota may terminate this Agreement in circumstances where the failure to satisfy any such condition is not the result, directly or indirectly, of a breach of this Agreement by Navasota or Subco1. In the event that the failure to satisfy any one or more of the above conditions precedent results from a material default by Navasota or Subco1 of its obligations under this Agreement and if such condition(s) precedent would have been satisfied but for

such default, neither Navasota nor Subco1 shall rely on such failure (to satisfy one or more of the above conditions) as a basis for its own noncompliance with its obligations under this Agreement.

6.4 Closing Matters

The completion of the transactions contemplated under this Agreement shall be effected via electronic exchange or at the offices of IMC's counsel, Gowling WLG (Canada) LLP, at 10:00 a.m. (Toronto time) on the Effective Date.

ARTICLE 7
TERMINATION AND AMENDMENT

7.1 Termination

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

(a) by mutual agreement in writing by the Parties; or

(b) as set forth in Sections 6.1, 6.2 and 6.3 of this Agreement.

7.2 Effect of Termination

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

7.3 Expenses and Break Fees

(a) Subject to Section 7.3(b) and Section 7.3(c) below, each Party shall pay its own costs and expenses (including all legal, accounting and financial advisory fees and expenses) incurred in connection with the completion of the Business Combination, including without limitation, expenses related to the preparation, execution and delivery of all agreements including, without limitation, this Agreement and other documents referenced herein, (and for greater certainty), IMC shall be responsible for paying all costs and fees payable to the CSE in connection with its review of the Business Combination, all listing fees incurred or to be incurred in connection with the completion of the Business Combination and all costs and fees associated with the preparation and filing of the Listing Statement or information circular, as may be required by the CSE.

(b) In the event that a sponsor is required to be retained in connection with the Business Combination pursuant to the regulations of the CSE, the costs and fees associated with engaging a sponsor shall be borne by IMC.

(c) Whether or not the transactions contemplated herein are completed, all reasonable costs incurred by Navasota and all fees and disbursements of Navasota's Canadian and Israeli counsel will be borne by IMC, provided that such costs, fees and disbursements must have been incurred on or following October 12, 2018.

(d) In the event that this Agreement is terminated by IMC pursuant to a breach by Navasota of any of its obligations under Section 5.4 and Section 5.5, Navasota shall forthwith pay to IMC the sum of $250,000 as a penalty, which amount shall be paid in cash in full and final satisfaction of any liability which Navasota and/or any of its directors and officers may have in respect thereof.

(e) In the event that this Agreement is terminated by Navasota pursuant to a breach by IMC of any of its obligations under Section 5.4 and Section 5.5, IMC shall forthwith pay to Navasota the sum of $250,000 as a penalty, which amount shall be paid in cash in full and final satisfaction of any liability which IMC and/or any of its directors and officers may have in respect thereof.

7.4 Amendment

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

7.5 Waiver

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

ARTICLE 8
GENERAL

8.1 Notices

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

if to IMC:

I.M.C. Holdings Ltd.
Kibbutz, Glil Yam
State of Israel

Attention: Oren Shuster
E-mail: [redacted]

with a copy to:

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

Attention: Peter Simeon
Facsimile: (416) 862-4448
E-mail: [redacted]

if to Navasota:

Navasota Resources Inc.
120 Adelaide Street West, Unit 2015
Toronto, Ontario M5H 1T1

Attention: Steven Mintz
E-mail: [redacted]

with a copy to:

Garfinkle Biderman LLP
Dynamic Funds Tower, Suite 801
Toronto, Ontario M5C 2V9

Attention: Grant Duthie
E-mail: [redacted]

if to Subco1:

Navasota Acquisition Ltd.
Aluf Kalman Magen 3, 3rd Floor
Tel Aviv, ISRAEL 6107075

Attention: Ryan Walsh, Director
E-mail: [redacted]

with a copy to:

Yigal Arnon & Co., c/o Adv. Moshe Medved
5 Azrieli Center, Square Tower, 40th Floor
Tel Aviv, ISRAEL 67021

Attention: Moshe Medved, Adv.
E-mail: [redacted]

8.2 Assignment

Except as expressly permitted by the terms hereof, neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by either of the Parties hereto without the prior written consent of the other Party which shall not be unreasonably withheld.

8.3 Complete Agreement

This Agreement sets forth the entire understanding between the Parties hereto and supersedes all prior agreements, arrangements and communications, whether oral or written, with respect to the subject matter hereof, including but not limited to, the Letter of Intent between IMC and Navasota. No

other agreements, representations, warranties or other matters, whether oral or written, shall be deemed to bind the Parties hereto with respect to the subject matter hereof.

8.4 Further Assurances

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

8.5 Severability

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

8.6 Counterpart Execution

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

8.7 Investigation by Parties

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

8.8 Public Announcement; Disclosure and Confidentiality

(a) Unless and until the transactions contemplated in this Agreement will have been completed, none of the Parties shall make any public announcement concerning this Agreement or the matters contemplated herein, their discussions or any other memoranda, letters or agreements between them relating to the matters contemplated herein without the prior consent of the other Parties, which consent shall not be unreasonably withheld, provided that no party shall be prevented from making any disclosure which is required to be made by law or any rules of a stock exchange or similar organization to which it is bound.

(b) All information provided to or received by the parties hereunder shall be treated as confidential ("**Confidential Information**"). Subject to the provisions of this Section, no Confidential Information shall be published by any party hereto without the prior written consent of the others, but such consent in respect of the reporting of factual data shall not be unreasonably withheld. The consent required by this Section shall not apply to a disclosure to: (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 of a party; (d) a consultant, contractor or subcontractor of a party that has a bona fide need to be informed; or (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.

(c) The obligations of confidence and prohibitions against use of Confidential Information under this Agreement shall not apply to information that the disclosing party can show by reasonable documentary evidence or otherwise: (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 Authority or judicial authority.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

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

I.M.C. HOLDINGS LTD.

Per: "*Oren Shuster*"
Oren Shuster
Chief Executive Officer

NAVASOTA RESOURCES INC.

Per: "*Navjit Dhaliwal*"
Navjit Dhaliwal
Director

NAVASOTA ACQUISITION LTD.

Per: "*Ryan Walsh*"
Ryan Walsh
Director

SCHEDULE A
AMALGAMATION AGREEMENT

(See attached)

AMALGAMATION AGREEMENT

THIS AGREEMENT is dated as of the **[●]** day of **[●]**, 2019,

BY AND AMONG:

IM CANNABIS (FINANCE) LTD., a company continued under the laws of the Province of British Columbia

(hereinafter referred to as "**Finco**")

OF THE FIRST PART;

- and -

1215324 B.C. Ltd., a company existing under the laws of the Province of British Columbia

(hereinafter referred to as "**Subco2**")

OF THE SECOND PART;

- and -

NAVASOTA RESOURCES INC., a corporation existing under the laws of the Province of British Columbia

(hereinafter referred to as "**Navasota**")

OF THE THIRD PART.

WHEREAS Finco and Subco2 wish to amalgamate pursuant to the Act and to continue as one company to be known as **[IMC Canada Corp.]** in accordance with the terms and conditions hereof;

AND WHEREAS Subco2 is a wholly-owned subsidiary of Navasota and has not carried on any active business;

AND WHEREAS Navasota is a party to the Business Combination Agreement which contemplates such amalgamation;

AND WHEREAS the parties have entered into this Agreement to provide for the matters referred to in the foregoing recitals and for other matters relating to the proposed amalgamation;

NOW THEREFORE THIS AGREEMENT WITNESSES that for and in consideration of the mutual covenants and agreements herein contained and other lawful and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Definitions. In this Agreement (including the recitals hereto):

(a) "**Act**" means the *Business Corporations Act* (British Columbia) as from time to time amended or re-enacted;

(b) "**Agreement**" means this amalgamation agreement;

(c) "**Amalco**" means the company formed upon the amalgamation of the Amalgamating Parties pursuant to the Amalgamation;

(d) "**Amalco Shares**" means the common shares in the capital of Amalco;

(e) "**Amalgamating Parties**" means, collectively, Finco and Subco2;

(f) "**Amalgamation**" means the amalgamation of the Amalgamating Parties under the Act on the terms and conditions set forth in this Agreement;

(g) "**Amalgamation Application**" means the amalgamation application in respect of the Amalgamation required by section 275(1)(a) of the Act to be filed with the Registrar in the form attached hereto as Schedule A, together with any changes to that application as permitted under this Agreement or as agreed to by the Amalgamating Parties;

(h) "**Articles**" means the articles of Amalco in the form attached hereto as Schedule B and signed by a director of Amalco;

(i) "**Business Combination**" means the business combination between Navasota, Finco and Subco2 wherein Navasota will acquire all of the issued and outstanding shares of Finco by way of the Amalgamation;

(j) "**Business Combination Agreement**" means the amended and restated business combination agreement dated September 3, 2019 among Navasota, Navasota Acquisition Ltd. and I.M.C. Holdings Ltd. governing the terms and conditions of the Business Combination, as amended from time to time;

(k) "**Business Combination Date**" means the date the Business Combination is completed, as evidenced by the issuance of the Certificate of Amalgamation giving effect to the Amalgamation;

(l) "**Business Day**" means a day other than a Saturday, Sunday or a civic or statutory holiday in the City of Vancouver, British Columbia;

(m) "**Certificate of Amalgamation**" means the certificate of amalgamation to be issued by the Registrar;

(n) "**Effective Time**" means 12:01 a.m. (Vancouver time) on the Business Combination Date;

(o) "**Exchange Ratio**" means a one-to-one basis, wherein each one (1) Finco Share shall be exchanged for one (1) fully paid and non-assessable Navasota Share, and

one (1) Finco Warrant shall be exchanged for one (1) Navasota Warrant, in each case in accordance with the terms of the Agreement;

(p) "**Finco Compensation Options**" means compensation options of Finco issued to certain agents in connection with the Finco Financing;

(q) "**Finco Financing**" means the private placement of Finco subscription receipts for aggregate gross proceeds of approximately $[20,000,000];

(r) "**Finco Shareholders**" means the holders of Finco Shares prior to the filing of the Amalgamation Application;

(s) "**Finco Shares**" means common shares in the capital of Finco;

(t) "**Finco Warrants**" means common share purchase warrants of Finco issued in connection with the Finco Financing;

(u) "**Navasota Compensation Options**" means compensation options of Navasota;

(v) "**Navasota Shareholder**" means a registered holder owning Navasota Shares prior to the filing of the Amalgamation Application;

(w) "**Navasota Shares**" means the common shares in the capital of Navasota;

(x) "**Navasota Warrants**" means common share purchase warrants of Navasota;

(y) "**Notice of Articles**" means the notice of articles to be issued by the Registrar in respect of Amalco in the form contained in the Amalgamation Application;

(z) "**Paid-up Capital**" has the meaning assigned to the term "paid-up capital" in subsection 89(1) of the *Income Tax Act* (Canada));

(aa) "**Registrar**" means the Registrar of Companies appointed under the Act; and

(bb) "**Subco2 Shares**" means the common shares in the capital of Subco2.

2. Amalgamation. Upon the conditions set out in this Agreement being satisfied or waived in accordance with the provisions of this Agreement and the Business Combination Agreement, including the adoption and approval by the shareholders of the Amalgamating Parties of this Agreement, the Amalgamating Parties hereby agree to:

(a) amalgamate and continue as one company under the provisions of the Act upon the terms and conditions hereinafter set out; and

(b) execute and file with the Registrar the Amalgamation Application.

3. Certain Phrases, etc. In this Agreement (i) the words "including", "includes" and "include" mean "including (or includes or include) without limitation", and (ii) the phrase "the aggregate of", "the total of", "the sum of", or a phrase of similar meaning means "the aggregate (or total or sum), without duplication, of". In the computation of periods of time from a specified date to a later specified date, unless otherwise expressly stated, the word

"from" means "from and including" and the words "to" and "until" each mean "to but excluding".

4. Effect of the Amalgamation. At the Effective Time, subject to the Act:

(a) the amalgamation of the Amalgamating Parties and their continuance as one company, Amalco, under the terms and conditions prescribed in this Agreement shall be effective and irrevocable;

(b) the property, rights and interests of each of the Amalgamating Parties shall continue to be the property, rights and interests of Amalco;

(c) Amalco shall become capable immediately of exercising the functions of an incorporated company;

(d) the shareholders of Amalco have the powers and the liability provided in the Act;

(e) each shareholder of the Amalgamated Parties is bound by this Agreement;

(f) Amalco will be a wholly-owned Subsidiary of Navasota;

(g) Amalco shall continue to be liable for the liabilities and obligations of each of the Amalgamating Parties;

(h) any existing cause of action, claim or liability to prosecution with respect to either or both of the Amalgamating Parties shall be unaffected;

(i) any legal proceeding being prosecuted or pending by or against any of the Amalgamating Parties may be continued to be prosecuted, or its prosecution may be continued, as the case may be, by or against Amalco; and

(j) any conviction against, or ruling, order or judgment in favour of or against, any of the Amalgamating Parties may be enforced by or against Amalco.

5. Name. The name of Amalco shall be **[IMC Canada Corp.].**

6. Registered Office. The mailing and delivery address of the registered office of Amalco shall be located at Suite 2300, Bentall 5, 550 Burrard Street, Vancouver, BC V6C 2B5.

7. Records Office. The mailing and delivery address of the records office of Amalco shall be located at Suite 2300, Bentall 5, 550 Burrard Street, Vancouver, BC V6C 2B5.

8. Authorized Share Structure. The authorized share structure of Amalco shall consist of an unlimited number of Amalco Shares, which shares shall have the rights, privileges, restrictions and conditions as set out in the Act.

9. Restrictions on Business. There shall be no restrictions on the business which Amalco is authorized to carry on.

10. Number of Directors. The minimum number of directors of Amalco, until changed in accordance with the Articles, will be two (2).

11. Articles and Notice of Articles. The Notice of Articles shall be in the form of the notice of articles forming part of the Amalgamation Application and the articles of Subco2 shall, so far as applicable, be the Articles of Amalco until repealed or amended in the normal manner provided for in the Act.

12. Directors. The directors of Amalco shall be the Persons whose names and addresses are set out below, who shall hold office until the first annual meeting of shareholders of Amalco or until their successors are duly elected or appointed:

Name	**Prescribed Address (mailing and delivery)**

13. First Officers. The full names and offices of the first officers of Amalco are:

Name of Officer	**Office**

14. Treatment of Issued Shares and Warrants. At the Effective Time:

(a) Finco Shares shall be exchanged for fully paid and non-assessable Navasota Shares (the "**Replacement Shares**") on the basis of the Exchange Ratio;

(b) Finco Shares replaced in accordance with the provisions of Section 14(a) hereof will be cancelled;

(c) Finco Warrants will be exchanged for Navasota Warrants (the "**Replacement Warrants**") on the basis of the Exchange Ratio and the Finco Warrants will be cancelled;

(d) Finco Compensation Options will be exchanged for Navasota Compensation Options (the "**Replacement Compensation Options**") on the basis of the Exchange Ratio and the Finco Compensation Options will be cancelled;

(e) each issued and outstanding Subco2 Share will be cancelled and replaced by one (1) fully paid and non-assessable Amalco Share for each Subco2 Share held by Navasota;

(f) as consideration for the issuance of Navasota Shares in exchange for the Finco Shares, Amalco shall issue to Navasota one (1) Amalco Share for each Navasota Share so issued.

15. **No Fractional Shares or Securities upon Conversion.** Notwithstanding Section 13 of this Agreement, no Finco Shareholder shall be entitled to, and Navasota will not issue, fractions of Navasota Shares and no cash amount will be payable by Navasota in lieu thereof. To the extent any Finco Shareholder is entitled to receive a fractional Navasota Share such fraction shall be rounded down to the closest whole number of the applicable security.

16. **Share Certificates.** On the Business Combination Date:

(a) the registered holders of Finco Shares, Finco Warrants and Finco Compensation Options shall be deemed to be the registered holders of Replacement Shares, Replacement Warrants and Replacement Compensation Options respectively, to which they are entitled hereunder.

(b) Navasota, as the registered holder of the Subco2 Shares, shall be deemed to be the registered holder of the Amalco Shares to which it is entitled hereunder and, upon surrender of the certificates representing such Subco2 Shares to Amalco, Navasota shall be entitled to receive a share certificate representing the number of Amalco Shares to which it is entitled as set forth in Section 13 hereof; and

(c) share certificates evidencing Finco Shares shall cease to represent any claim upon or interest in Finco other than the right of the holder to receive, pursuant to the terms hereof and the Amalgamation, the applicable Replacement Shares in accordance with Section 13 hereof.

17. **Lost Certificates.** In the event any certificate which subsequent to the Effective Time represented one or more outstanding Finco Shares, Finco Warrants or Finco Compensation Options that were exchanged pursuant to Section 13 shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the holder of such Finco Share, Finco Warrant or Finco Compensation Option, as the case may be, claiming such certificate to be lost, stolen or destroyed, Navasota will issue in exchange for such lost, stolen or destroyed certificate, one or more certificates representing the applicable Replacement Share, Replacement Warrant or Replacement Compensation Option pursuant to Section 13. The holder to whom certificates representing Replacement Shares, Replacement Warrants or Replacement Compensation Options are to be issued shall, as a condition precedent to the issuance thereof, give a bond satisfactory to Navasota in such sum as Navasota may direct or otherwise indemnify Navasota in a manner satisfactory to Navasota against any claim that may be made against Navasota with respect to the certificate alleged to have been lost, stolen or destroyed.

18. **Amalco Shares and Shareholders.** Upon the Amalgamation becoming effective, the exchange of shares under Section 13 will result in [●] Amalco Shares being issued and outstanding as fully paid and non-assessable common shares in Amalco, all of which will be held by Navasota.

19. **Amalco Paid-Up Capital.** The amount to be added to the paid-up capital account maintained in respect of the Amalco Shares in connection with the issue of Amalco Shares under Section 13 hereof on the Business Combination Date shall be the amount which is the sum of (i) the Paid-up Capital, determined immediately before the Effective Time, of all the issued and outstanding Finco Shares and (ii) the Paid-up Capital, determined

immediately before the Effective Time, of the issued and outstanding Subco2 Shares converted into Amalco Shares.

20. Navasota Stated Capital. Navasota shall add an amount to the stated capital account maintained in respect of the Navasota Shares an amount equal to the Paid-Up Capital of the Finco Shares, determined immediately prior to the Effective Time.

21. Filings with the Registrar. The Amalgamating Parties will, on or prior to the Business Combination Date, cause the Amalgamation Application and any other documents that may be required to give effect to the Amalgamation to be filed with the Registrar.

22. Covenants of Finco. Finco covenants and agrees with Subco2 and Navasota that it will:

(a) use reasonable commercial efforts to obtain the approval of the holders of Finco Shares authorizing the Amalgamation, this Agreement and the transactions contemplated hereby in accordance with the Act;

(b) use reasonable efforts to cause each of the conditions precedent set forth in Sections 29 and 30 hereof to be complied with; and

(c) subject to the approval of the shareholders of Finco and Subco2 being obtained for the completion of the Amalgamation and subject to all applicable regulatory approvals being obtained, thereafter jointly file with Subco2 the Amalgamation Application with the Registrar and such other documents as may be required to give effect to the Amalgamation upon and subject to the terms and conditions of this Agreement.

23. Covenants of Navasota. Navasota covenants and agrees with Finco that it will:

(a) sign a resolution as sole shareholder of Subco2 in favour of the approval of the Amalgamation, this Agreement and the transactions contemplated hereby in accordance with the Act;

(b) use reasonable efforts to cause each of the conditions precedent set forth in Sections 29 and 31 hereof to be complied with; and

(c) subject to the approval of the holders of Finco Shares being obtained for the completion of the Amalgamation, and the obtaining of all applicable regulatory approvals and the issuance of the Certificate of Amalgamation, issue that number of Replacement Shares, Replacement Warrants and Replacement Compensation Options as required by Section 14(a), 14(c) and 14(d) respectively, hereof.

24. Covenants of Subco2. Subco2 covenants and agrees with Navasota and Finco that it will not from the date of execution hereof to the Business Combination Date, except with the prior written **consent of Navasota and Finco, conduct any business which would prevent Subco2 or Amalco from performing any of their respective obligations hereunder.**

25. Further Covenants of Subco2. Subco2 further covenants and agrees with Finco that it will:

(a) use its best efforts to cause each of the conditions precedent set forth in Section 29 hereof to be complied with; and

(b) subject to the approval of the holders of Finco Shares and the sole shareholder of Subco2 being obtained and subject to the obtaining of all applicable regulatory approvals, thereafter jointly file with Finco the Amalgamation Application with the Registrar and such other documents as may be required to give effect to the Amalgamation upon and subject to the terms and conditions of this Agreement.

26. Representation and Warranty of Navasota. Navasota hereby represents and warrants to and in favour of Finco and Subco2 and acknowledges that Finco and Subco2 are relying upon such representation and warranty, that Navasota is duly authorized to execute and deliver this Agreement and this Agreement is a valid and binding agreement, enforceable against Navasota in accordance with its terms.

27. Representation and Warranty of Finco. Finco hereby represents and warrants to and in favour of Navasota and Subco2, and acknowledges that Navasota and Subco2 are relying upon such representation and warranty, that Finco is duly authorized to execute and deliver this Agreement and this Agreement is a valid and binding agreement, enforceable against Finco in accordance with its terms.

28. Representation and Warranty of Subco2. Subco2 hereby represents and warrants to and in favour of Finco and Navasota, and acknowledges that Finco and Navasota are relying upon such representations and warranty, that Subco2 is duly authorized to execute and deliver this Agreement and this Agreement is a valid and binding agreement, enforceable against Subco2 in accordance with its terms.

29. General Conditions Precedent. The respective obligations of the parties hereto to consummate the transactions contemplated hereby, and in particular the Amalgamation, are subject to the satisfaction, on or before the Business Combination Date, of the following conditions, any of which may be waived by the consent of each of the parties without prejudice to their rights to rely on any other or others of such conditions:

(a) this Agreement and the transactions contemplated hereby, including, in particular, the Amalgamation, shall be approved by the sole shareholder of Subco2 and by the Finco Shareholders in accordance with the Act;

(b) all the conditions required to close the Business Combination set out herein and in the Business Combination Agreement being met or waived; and

(c) there shall not be in force any order or decree restraining or enjoining the consummation of the transactions contemplated by this Agreement, including, without limitation, the Amalgamation.

30. Conditions to Obligations of Navasota and Subco2. The obligations of Navasota and Subco2 to consummate the transactions contemplated hereby and in particular the issue of the Replacement Shares, Replacement Warrants, Replacement Compensation Options and the Amalgamation, as the case may be, are subject to the satisfaction, on or before the Business Combination Date, of the conditions for the benefit of Navasota set forth in the Business Combination Agreement governing the terms and conditions of the Business Combination and of the following conditions:

(a) the acts of Finco to be performed on or before the Business Combination Date pursuant to the terms of this Agreement shall have been duly performed by it and there shall have been no material adverse change in the financial condition or business of Finco, taken as a whole, from and after the date hereof; and

(b) Navasota and Subco2 shall have received a certificate from a senior officer of Finco confirming that the conditions set forth in Section 30((a) hereof have been satisfied.

The conditions described above are for the exclusive benefit of Navasota and Subco2 and may be asserted by Navasota and Subco2 regardless of the circumstances or may be waived by Navasota and Subco2 in their sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which Navasota and Subco2 may have.

31. Conditions to Obligations of Finco. The obligations of Finco to consummate the transactions contemplated hereby and in particular the Amalgamation are subject to the satisfaction, on or before the Business Combination Date, of the conditions for the benefit of Finco set forth in the Business Combination Agreement governing the terms and conditions of the Business Combination and of the following conditions:

(a) each of the acts of Navasota and Subco2 to be performed on or before the Business Combination Date pursuant to the terms of this Agreement shall have been duly performed by them and there shall have been no material adverse change in the financial condition or business of Navasota or Subco2, taken as a whole, from and after the date hereof; and

(b) Finco shall have received a certificate from a senior officer of Navasota and Subco2 confirming that the conditions set forth in Section 31((a) hereof have been satisfied.

The conditions described above are for the exclusive benefit of Finco and may be asserted by Finco regardless of the circumstances or may be waived by Finco in its sole discretion, in whole or in part, at any time and from time to time without prejudice to any other rights which Finco may have.

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

(a) change the time for performance of any of the obligations or acts of the parties hereto;

(b) waive any inaccuracies or modify any representation or warranty contained herein or in any document delivered pursuant hereto;

(c) waive compliance with or modify any of the covenants contained herein and waive or modify performance of any of the obligations of the parties hereto; or

(d) waive compliance with or modify any other conditions precedent contained herein;

provided that no such amendment shall change the provisions hereof regarding the consideration to be received by Finco Shareholders in exchange for their Finco Shares without approval by the Finco Shareholders given in the same manner as required for the approval of the Amalgamation.

33. Termination. This Agreement may, prior to the issuance of the Certificate of Amalgamation, be terminated by mutual agreement of the respective boards of directors of the parties hereto, without further action on the part of the shareholders of Finco or Subco2. This Agreement shall also terminate without further notice or agreement if:

(a) the Amalgamation is not approved by the Finco Shareholders entitled to vote in accordance with the Act; or

(b) the Business Combination Agreement is terminated.

34. Binding Effect. This Agreement shall be binding upon and enure to the benefit of the parties hereto and their successors and permitted assigns.

35. Assignment. No party to this Agreement may assign any of its rights or obligations under this Agreement without the prior written consent of each of the other parties.

36. Further Assurances. The parties hereto agree to execute and deliver such further instruments and to do such further reasonable acts and things as may be necessary or appropriate to carry out the intent of this Agreement.

37. Notice. Any notice which a party may desire to give or serve upon another party shall be in writing and may be delivered, mailed by prepaid registered mail, return receipt requested or sent by telecopy transmission.

38. Time of Essence. Time shall be of the essence of this Agreement.

39. Governing Law. This Agreement shall be governed by and construed in accordance with the Laws of the Province of British Columbia and the federal Laws of Canada applicable therein.

40. Counterparts. This Agreement may be executed and delivered by the parties in one or more counterparts, each of which will be an original, and those counterparts will together constitute one and the same instrument.

41. Electronic Delivery. Delivery of this Agreement by facsimile, e-mail or other functionally equivalent electronic means of transmission constitutes valid and effective delivery.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, this Agreement has been duly executed by the parties hereto as of the date first above written.

NAVASOTA RESOURCES INC.

Per: _____
Name:
Title:

IM CANNABIS (FINANCE) LTD.

Per: _____
Name:
Title:

1215324 B.C. LTD.

Per: _____
Name:
Title:

SCHEDULE A

AMALGAMATION APPLICATION

See attached.

SCHEDULE B

ARTICLES OF AMALCO

See attached.