

SHARE EXCHANGE AGREEMENT

THIS AGREEMENT is made effective as of the 13th day of June, 2019 between:

MOLECULE INC. (“Molecule”),
a corporation existing under the laws of the Province of Ontario

- and -

EACH SHAREHOLDER OF BURRARD BAY CAPITAL CORP., and listed on
Schedule “A” attached hereto (collectively, the “**Shareholders**”)

- and -

BURRARD BAY CAPITAL CORP. (the “**Corporation**”),
a corporation existing under the laws of the Province of Ontario

RECITALS:

A. On the terms and subject to the conditions herein set forth, Molecule desires to purchase the Securities (as defined below) from the Shareholders, and the Shareholders desire to sell the Securities to Molecule.

NOW THEREFORE THIS AGREEMENT WITNESSES that for good and valuable consideration, the parties agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement, in addition to the parties’ names defined on the first page hereof, capitalized words and terms shall have the following meanings:

- (a) “**Acquisition**” and “**Transaction**” each means the purchase and sale of the Shares in accordance with the terms hereof;
- (b) “**Act**” has the meaning specified in Section 7.9(b).
- (c) “**Agreement**” means this share exchange agreement, as may be supplemented or amended from time to time;
- (d) “**Business**” means the business of Molecule, specifically production and co-packing of cannabis-infused beverages;
- (e) “**Business Day**” means any day other than a Saturday, Sunday or a day on which banking institutions in Toronto, Ontario are authorized or obligated by law to close;
- (f) “**Closing**” means the completion of the Acquisition pursuant to and in accordance with this Agreement at the Time of Closing;

- (g) **“Closing Date”** means the date hereof;
- (h) **“Contracts”** means contracts, licences, leases, agreements, obligations, promises, undertakings, understandings, arrangements, documents, commitments, entitlements or engagements to which the applicable person is a party or by which it is legally bound or under which such person has, or will have, any liability or contingent liability (in each case, whether written or oral, express or implied) and **“Contract”** means any one of them;
- (i) **“Environmental Liability”** means any action, cause of action, claim, debt, obligation, liability, decision or directive instituted, made, imposed, issued or arising under or pursuant to any law, statute, regulation, order or ordinance or any lease, permit, license, guarantee, agreement or authorization pertaining to the protection of conservation of the natural environment and the use, handling, discharge, clean-up and disposal of toxic or hazardous substances, the protection or preservation of vegetation, wildlife or fishery resources, the undertaking of mineral resource exploration operations and the decommissioning, abandonment or closure of such operations, including the reclamation, remediation and restoration of land, vegetation, water and air;
- (j) **“Governmental Authority”** means any (a) multinational, federal, provincial, territorial, state, regional, municipal, local or other government, governmental or public department, court, tribunal, commission, board or agency, domestic or foreign, or (b) regulatory authority, including any securities commission or stock exchange;
- (k) **“ICAP Agreement”** means the financial advisor consulting agreement dated January 29, 2018 between the Corporation and ICAP Ventures Inc.;
- (l) **“including”** means “including, without limitation” or “including, but not limited to”;
- (m) **“Intellectual Property”** means all registered or pending or common law intellectual property issued to, owned, held or used by Molecule in carrying on the Business including all trade or brand names, business names, domain names, trade-marks (including logos), trade-mark registrations and applications, service marks, service mark registrations and applications, copyrights, copyright registrations and applications, issued patents and pending applications and other patent rights, industrial design registrations, pending applications and other industrial design rights, trade secrets, proprietary information and know-how, equipment and parts lists and descriptions, instruction manuals, inventions, inventors’ notes, research data, blueprints, drawings and designs, formulae, processes, technology, data bases and other intellectual property issued to or owned, held by or used by Molecule in carrying on the Business, together with all rights under licences, registered user agreements, technology transfer agreements and other agreements or instruments relating to any of the foregoing;
- (n) **“Knowledge of Molecule”** or **“Molecule’s Knowledge”** or any other similar knowledge qualification, means the actual or constructive knowledge of any director or officer of Molecule, after due inquiry;

- (o) **“Knowledge of the Corporation”** or **“the Corporation’s Knowledge”** or any other similar knowledge qualification, means the actual or constructive knowledge of any director or officer of the Corporation, after due inquiry;
- (p) **“Material Contract”** means the following Contracts:
 - (i) each of the Subscription Agreements, and
 - (ii) the ICAP Agreement; and
 - (iii) any other agreement which is deemed to be material by the sole director of the Corporation, acting reasonably;
- (q) **“Molecule Shares”** means the Class “A” common shares in the capital of Molecule;
- (r) **“Shareholders”** has the meaning set forth in Recital A hereof;
- (s) **“Shares”** means all of the issued and outstanding common shares in the capital of the Corporation, consisting of 63,300,001 common shares as at the date hereof, as specified in Schedule “A” attached hereto;
- (t) **“Subscription Agreement”** has the meaning specified in Section 3.1(d).
- (u) **“ordinary course of business”** when used in relation to the conduct by Molecule of its business, means any transaction which constitutes an ordinary day-to-day business activity conducted in a commercially reasonable and business like manner;
- (v) **“Payment Shares”** has the meaning set forth in Section 2.2;
- (w) **“person”** includes an individual, sole proprietorship, partnership, limited partnership, unincorporated association or organization, unincorporated syndicate, body corporate, trust, trustee, executor, administrator, legal representative of the Crown or any agency or instrumentality thereof;
- (x) **“Purchase Price”** has the meaning set forth in Section 2.2;
- (y) **“Securities”** means the Shares and the Warrants;
- (z) **“Securities Commission”** means the Ontario Securities Commission;
- (aa) **“Securities Laws”** means, collectively, the securities laws of the Province of Ontario and the regulations and rules made and forms prescribed thereunder, together with all applicable multilateral or national instruments, published policy statements, blanket orders, rulings and notices of the Securities Commission;
- (bb) **“Time of Closing”** means 10:00am (Toronto time) on the Closing Date or such other time as agreed by the parties;
- (cc) **“Unit”** means one Share and one Warrant; and

- (dd) **“Warrants”** means 63,300,000 share purchase warrants issued by the Corporation (each a **“Warrant”**), each exercisable in accordance with its terms for \$0.02 per Warrant, as specified in Schedule “A” attached hereto.

1.2 Currency

All sums of money which are referred to in this Agreement are expressed in lawful money of Canada unless otherwise specified.

1.3 Interpretation Not Affected by Headings, etc.

The division of this Agreement into articles, sections and other portions and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. Each section reference herein is to a section of this Agreement, unless otherwise indicated.

1.4 Number, etc.

Unless the subject matter or context requires the contrary, words importing the singular number only shall include the plural and vice versa; words importing the use of any gender shall include all genders and words importing persons shall include natural persons, firms, trusts, partnerships and corporations.

1.5 Date for Any Action

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

1.6 Statutory References

Any reference in this Agreement to a statute includes all regulations and rules made thereunder, all amendments to such statute in force from time to time and any statute, regulation or rule that supplements or supersedes such statute, regulation or rule.

1.7 Entire Agreement

This Agreement and the documents required to be delivered pursuant to this Agreement, constitutes the entire agreement among the parties hereto pertaining to the subject matter hereof and supersedes all prior agreements, understandings, negotiations, and discussions, whether oral or written, between the parties hereto with respect to the subject matter hereof. There are no representations, warranties, covenants or conditions with respect to the subject matter hereof except as contained in this Agreement and any document delivered pursuant to this Agreement.

1.8 Accounting Principles

Wherever in this Agreement reference is made to generally accepted accounting principles, such reference shall be deemed to be the Canadian generally accepted accounting principles from time to time approved by the Canadian Institute of Chartered Accountants, or any successor thereto, applicable as at the date on which a calculation is made or required to be made in accordance with generally accepted accounting principles.

ARTICLE 2 PURCHASE AND SALE OF PURCHASED SECURITIES

2.1 Purchase and Sale

Upon and subject to the terms and conditions hereof, each of the Shareholders shall sell, assign and transfer to Molecule, and Molecule shall purchase from each of the Shareholders, the Securities held by each such Shareholder, as described in Schedule "A".

2.2 Purchase Price

The aggregate purchase price payable by Molecule to the Shareholders for the Securities shall be \$1,000,000 (the "**Purchase Price**") at a price per Share or Unit equal to \$0.0158, as specified in Schedule "A". Molecule shall pay and satisfy the Purchase Price by issuing to the Shareholders at the Time of Closing, an aggregate of 10,000,000 Molecule Shares from treasury as allocated in Schedule "A" (collectively, the "**Payment Shares**") in exchange for the Securities outstanding prior to the Closing at a deemed price of \$0.10 per Molecule Share.

ARTICLE 3 CONDITIONS

3.1 Conditions of Molecule

The obligations of Molecule to complete the Transaction are subject to the fulfillment of the following conditions on or before the Closing Date:

- (a) each of the acts and undertakings of the Corporation and the Shareholders to be performed on or before the Closing Date pursuant to the terms of this Agreement shall have been duly performed by the Corporation and the Shareholders, as applicable;
- (b) the board of directors of the Corporation and the Shareholders shall have adopted all necessary resolutions, and all other necessary corporate action shall have been taken by the Corporation, to permit the consummation of the Transaction;
- (c) all consents and approvals under any agreements to which the Corporation may be a party or bound which are required or necessary or desirable for the completion of the transactions contemplated under this Agreement shall have been obtained or received;
- (d) the Corporation shall have complied at all material times with all of the Corporation's obligations under those subscription agreements pursuant to which the Shares were issued to the Shareholders (each a "**Subscription Agreement**", collectively the "**Subscription Agreements**"), including but not limited to those provisions set out in section 24 of each Subscription Agreement;
- (e) the Corporation shall have furnished Molecule with certified copies of the resolutions passed by the board of directors of the Corporation approving this Agreement and the consummation of the transactions contemplated herein;
- (f) the Shareholders shall have tendered all, but not less than all, of the Securities, by way of duly executed stock transfer powers, and the Corporation shall have initiated commercial reasonable efforts to notify all Shareholders of the material

terms and completion of the Transaction and to cause those Shareholders in possession of original certificates representing the Securities to deliver the foregoing to or as directed by the Corporation in a timely manner, it being acknowledged by Molecule that such delivery may occur following the Time of Closing, provided that such certificates shall have been cancelled by way of the Authorizing Resolutions effective as of the Closing Date;

- (g) all Material Contracts other than the Subscription Agreements shall have been terminated;
- (h) all liabilities of the Corporation shall have been paid; and
- (i) at Closing:
 - (i) the sole director and officer of the Corporation shall have tendered his resignation;
 - (ii) the resigning sole director and officer of the Corporation shall have executed a mutual release with the Corporation.

3.2 Conditions of the Corporation and the Shareholders

The obligations of the Corporation and the Shareholders to complete the Transaction are subject to the fulfillment of the following conditions on or before the Closing Date:

- (a) each of the acts and undertakings of Molecule to be performed on or before the Closing Date pursuant to the terms of this Agreement shall have been duly performed by Molecule;
- (b) the board of directors and shareholders, as required, of Molecule shall have adopted all necessary resolutions, and all other necessary corporate action shall have been taken by Molecule, to permit the consummation of the Transaction, including the issuance of the Payment Shares;
- (c) all consents and approvals under any agreements to which Molecule may be a party or bound which are required or necessary or desirable for the completion of the transactions contemplated under this Agreement shall have been obtained or received; and
- (d) Molecule shall have delivered to the Corporation on behalf of the Shareholders a copy of the share certificates (each a “**Payment Share Certificate**”, collectively for all of the Shareholders the “**Payment Share Certificates**”) duly registered in the name of such Shareholder evidencing the number of Payment Shares to which such Shareholder is entitled pursuant to this Agreement.

3.3 Mutual Conditions Precedent

The respective obligations of the parties hereto to consummate the transactions contemplated herein are subject to the satisfaction, on or before the Closing Date, of the following conditions, any of which may be waived by the mutual consent of such parties without prejudice to their rights to rely on any other or others of such conditions:

- (a) all necessary regulatory approvals, as applicable, shall have been obtained, including any approvals in connection with the issuance and distribution of the securities of Molecule to be issued pursuant to the Transaction, as applicable;
- (b) there shall not exist any prohibition at law against the completion of the Transaction;
- (c) there shall not be in force any order or decree restraining or enjoining the consummation of the Transaction; and
- (d) all consents, waivers, permits, orders and approvals of all Governmental Authorities or other persons, the failure of which to obtain would be materially adverse to Molecule and the Corporation taken as a whole, shall have been obtained, and none of such consents, waivers, permits, orders and approvals, including regulatory approvals, required or necessary or desirable for the completion of the transactions provided for in this Agreement, shall contain terms or conditions or require undertakings or security deemed unsatisfactory or unacceptable by either Molecule or the Corporation, acting reasonably.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES

4.1 Representations and Warranties of Molecule

Molecule represents and warrants to and in favour of each of the other parties hereto as follows and acknowledges that such parties are relying upon the same in connection with the transactions contemplated herein:

- (a) Molecule is a corporation incorporated and validly existing under the laws of the Province of Ontario and has the corporate power to own or lease its property, to carry on its business as now being conducted, to enter into this Agreement and to perform its obligations hereunder;
- (b) this Agreement has been, and each additional agreement or instrument to be delivered pursuant to this Agreement, will be duly authorized, executed and delivered by Molecule and each is or will be a legal, valid and binding obligation of Molecule, enforceable against Molecule in accordance with its terms;
- (c) the execution and delivery of this Agreement do not and the consummation of the Transaction will not: (i) result in a breach or violation of the articles or by-laws of Molecule, (ii) conflict with, result in a breach of, constitute a default under or accelerate the performance required by or result in the suspension, cancellation, material alteration or creation of an encumbrance upon any material agreement, licence, permit or authority to which Molecule is a party or by which Molecule is bound or to which any material assets or property of Molecule is subject, or (iii) violate any provision of law or regulation or any judicial or administrative order, award, judgment or decree applicable to Molecule;
- (d) the authorized capital of Molecule consists of an unlimited number of Class "A", "B", "C", "D" and "E" common shares and an unlimited number of Class "F", "G", "H", "I" and "J" preference shares, of which as of the date hereof, 62,600,000 Class "A" common shares and 100 Class "B" common shares are issued and outstanding as fully paid and non-assessable and upon the completion of the

Transaction and the issuance of the Payment Shares, the Payment Shares will be validly issued and outstanding as fully paid and non-assessable Molecule Shares;

- (e) other than securities to be issued to Gravitax Securities Inc. pursuant to an Advisory Agreement to be entered into on or about the date hereof, no person has any agreement, option, right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement, including convertible securities, options, warrants or convertible obligations of any nature, for the purchase, subscription, allotment or issuance of any unissued shares or other securities of Molecule;
- (f) to Molecule's Knowledge, since September 28, 2018, there has been no material adverse change in the condition (financial or otherwise), assets, liabilities, operations, earnings or business of Molecule;
- (g) except for in the ordinary course of business, Molecule has no liabilities, obligations or commitments of any nature whatsoever, asserted or unasserted, known or unknown, absolute or contingent, accrued or unaccrued, matured or unmatured or otherwise;
- (h) to Molecule's Knowledge, no consent, approval, order or authorization of, or registration or declaration with, any applicable Governmental Authority with jurisdiction over Molecule is required to be obtained by Molecule in connection with the execution and delivery of this Agreement or the consummation of the Transaction, except for those consents, orders, authorizations, declarations, registrations or approvals which are contemplated by this Agreement or those consents, orders, authorizations, declarations, registrations or approvals that, if not obtained, would not prevent or materially delay the consummation of the Transaction or otherwise prevent Molecule from performing its obligations under this Agreement and could not reasonably be expected to have a material adverse effect on Molecule;
- (i) there is no suit, action or proceeding in progress, or to the Knowledge of Molecule, threatened against Molecule that, individually or in the aggregate, could reasonably be expected to have a material adverse effect upon Molecule, and there is no judgment, decree, injunction, rule or order of any Governmental Authority with jurisdiction over Molecule outstanding against Molecule causing, or which insofar as can reasonably be foreseen, in the future would cause, a material adverse effect on Molecule;
- (j) to Molecule's Knowledge, there are no actions, suits, or claims asserted or assessed against Molecule in respect of taxes, governmental charges or assessments, nor are any matters under discussion with any Governmental Authority relating to taxes, governmental charges or assessments asserted by such Governmental Authority. Molecule has withheld from each payment made by it to any person and remitted to the proper tax and other receiving offices within the time required all income tax and other deductions required to be withheld from such payments;
- (k) Molecule has no subsidiaries and does not own nor have any obligation to acquire any securities or assets of any other person;

- (l) to Molecule's Knowledge, the business of Molecule is being conducted in all material respects in compliance with all applicable laws, regulations and ordinances of all authorities having jurisdiction, except where the failure to comply would not be reasonably likely, individually or in the aggregate, to have a material adverse effect on Molecule; Molecule has not been notified by any Governmental Authority of any investigation with respect to it that is pending or threatened, nor has any Governmental Authority notified Molecule of such Governmental Authority's intention to commence or to conduct any investigation that would be reasonably likely to have a material adverse effect on Molecule;
- (m) the corporate records and minute books of Molecule are current and contain complete and accurate minutes of all meetings of its directors and shareholders and all resolutions consented to in writing;
- (n) to Molecule's Knowledge, there is no Environmental Liability, nor factors likely to give rise to any Environmental Liability, affecting any of the properties or assets of Molecule that individually or in the aggregate, could reasonably be expected to have a material adverse effect upon Molecule and Molecule has not violated or infringed any environmental law now in effect; Molecule has not violated or infringed any then current environmental law as applied at that time, other than such violations or infringements that, individually or in the aggregate, have not had and could not reasonably be expected to have, a material adverse effect on Molecule;
- (o) to Molecule's Knowledge, Molecule has good and marketable title to its properties and other assets (other than property or an asset as to which Molecule is a lessee, in which case it has a valid leasehold interest), except for encumbrances against such assets in respect of security interests granted in the ordinary course of business;
- (p) to Molecule's Knowledge, Molecule owns or possess all licences or rights necessary to use all of the Intellectual Property as currently used in the Business as currently operated. To the Knowledge of Molecule, the conduct of the Business does not infringe upon the industrial or intellectual property rights, domestic or foreign, of any other person. To the Knowledge of Molecule, there exist no claims of any infringement or breach of any industrial or intellectual property rights of any other person, and Molecule has not received any notice that the conduct of the Business, including the use of the Intellectual Property, infringes upon or breaches any industrial or intellectual property rights of any other person, or the trade secrets, know-how or confidential or proprietary information of any other person. To the Knowledge of Molecule, there exist no infringement or violation by any other person of any of the rights of Molecule in the Intellectual Property, nor does there exist any state of facts which casts doubt on the validity or enforceability of any of the Intellectual Property;
- (q) to Molecule's Knowledge, Molecule:
 - (i) is in compliance with all federal and provincial employment laws and employment practices; (ii) is not engaged in any unfair labour practices; and
 - (ii) has no collective bargaining or labour union of employees;

- (r) Molecule is not insolvent, has not committed any acts of bankruptcy or had a receiver appointed on any of its assets;
- (s) Molecule has not engaged any broker or other agent in connection with the Transaction and, accordingly, there is no commission, fee or other remuneration payable to any broker or agent who purports or may purport to act or have acted for Molecule;
- (t) to Molecule's Knowledge, Molecule has in all respects complied with applicable Securities Laws; and
- (u) to Molecule's Knowledge, all documents and written information delivered by or on behalf of Molecule under or in connection with this Agreement to the Corporation or its representatives are complete and correct in all material respects as of the date of this Agreement and Molecule has not withheld from the Corporation any material information necessary to enable the Corporation to make an informed assessment and valuation of the business, assets and liabilities of Molecule.

4.2 Representations and Warranties of the Shareholders

Each of the Shareholders, on its own behalf and not on behalf of any other Shareholder, hereby represents and warrants to Molecule as follows and acknowledges that Molecule is relying upon same in connection with the transactions contemplated herein:

- (a) this Agreement and each additional agreement or instrument required to be delivered pursuant to this Agreement is or will be, a legal, valid and binding obligation of such Shareholder, enforceable against such Shareholder in accordance with its terms;
- (b) such Shareholder is the beneficial owner of that number of Securities set forth opposite its name in Schedule "A" hereto, free and clear of all liens, charges, mortgages, security interests, pledges, demands, claims and other encumbrances whatsoever, except those restrictions on transfer arising under the articles of incorporation of the Corporation;
- (c) no person has any agreement or option or any right or privilege capable of becoming an agreement for the purchase of such Shareholder's shareholding interests of the Corporation;
- (d) such Shareholder has not engaged any broker or other agent in connection with the Transaction and, accordingly, there is no commission, fee or other remuneration payable to any broker or agent who purports or may purport to act or have acted for such Shareholder;
- (e) those representations, warranties and acknowledgements given or made by each Shareholder in the Subscription Agreement executed by such Shareholder were true and correct on the date of the Subscription Agreement and are true and correct as at the date hereof to the extent applicable as if given or made on the date hereof; and
- (f) such Shareholder is not, and is not acquiring the Payment Shares for the account or benefit of, a person in the United States or a U.S. Person (as defined in Rule 902 of Regulation S under the United States Securities Act of 1933, as amended)

or a person outside of the United States, was not offered the Payment Shares in the United States and did not execute or deliver this Agreement in the United States.

4.3 Representations and Warranties of the Corporation

The Corporation represents and warrants to and in favour of each of the other parties hereto as follows and acknowledges that such parties are relying upon the same in connection with the transactions contemplated herein:

- (a) the Corporation is a corporation incorporated and validly existing under the laws of the Province of Ontario and has the corporate power to own or lease its property, to carry on its business as now being conducted, to enter into this Agreement and to perform its obligations hereunder;
- (b) this Agreement has been, and each additional agreement or instrument to be delivered pursuant to this Agreement, will be duly authorized, executed and delivered by the Corporation and each is or will be a legal, valid and binding obligation of the Corporation, enforceable against the Corporation in accordance with its terms;
- (c) the execution and delivery of this Agreement do not and the consummation of the Transaction will not: (i) result in a breach or violation of the articles or by-laws of the Corporation, (ii) conflict with, result in a breach of, constitute a default under or accelerate the performance required by or result in the suspension, cancellation, material alteration or creation of an encumbrance upon any material agreement, licence, permit or authority to which the Corporation is a party or by which the Corporation is bound or to which any material assets or property of the Corporation is subject, or (iii) violate any provision of law or regulation or any judicial or administrative order, award, judgment or decree applicable to the Corporation;
- (d) the authorized capital of the Corporation consists of an unlimited number of common shares, of which as of the date hereof, 63,300,001 common shares are issued and outstanding as fully paid and non-assessable;
- (e) except for the Warrants, no person has any agreement, option, right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement, including convertible securities, options, warrants or convertible obligations of any nature, for the purchase, subscription, allotment or issuance of any unissued shares or other securities of the Corporation;
- (f) to the Corporation's Knowledge, since the date of incorporation of the Corporation, there has been no material adverse change in the condition (financial or otherwise), assets, liabilities, operations, earnings or business of the Corporation;
- (g) except for in the ordinary course of business, or in connection with the transactions contemplated in this Agreement, the Corporation has no liabilities, obligations or commitments of any nature whatsoever, asserted or unasserted, known or unknown, absolute or contingent, accrued or unaccrued, matured or unmatured or otherwise;

- (h) to the Corporation's Knowledge, no consent, approval, order or authorization of, or registration or declaration with, any applicable Governmental Authority with jurisdiction over the Corporation is required to be obtained by the Corporation in connection with the execution and delivery of this Agreement or the consummation of the Transaction, except for those consents, orders, authorizations, declarations, registrations or approvals which are contemplated by this Agreement or those consents, orders, authorizations, declarations, registrations or approvals that, if not obtained, would not prevent or materially delay the consummation of the Transaction or otherwise prevent the Corporation from performing its obligations under this Agreement and could not reasonably be expected to have a material adverse effect on the Corporation;
- (i) there is no suit, action or proceeding in progress, or to the Knowledge of the Corporation, threatened against the Corporation that, individually or in the aggregate, could reasonably be expected to have a material adverse effect upon the Corporation, and there is no judgment, decree, injunction, rule or order of any Governmental Authority with jurisdiction over the Corporation outstanding against the Corporation causing, or which insofar as can reasonably be foreseen, in the future would cause, a material adverse effect on the Corporation;
- (j) to the Corporation's Knowledge, there are no actions, suits, or claims asserted or assessed against the Corporation in respect of taxes, governmental charges or assessments, nor are any matters under discussion with any Governmental Authority relating to taxes, governmental charges or assessments asserted by such Governmental Authority. The Corporation has withheld from each payment made by it to any person and remitted to the proper tax and other receiving offices within the time required all income tax and other deductions required to be withheld from such payments;
- (k) the Corporation has no subsidiaries and does not own nor have any obligation to acquire any securities or assets of any other person;
- (l) to the Corporation's Knowledge, the business of the Corporation is being conducted in all material respects in compliance with all applicable laws, regulations and ordinances of all authorities having jurisdiction, except where the failure to comply would not be reasonably likely, individually or in the aggregate, to have a material adverse effect on the Corporation; the Corporation has not been notified by any Governmental Authority of any investigation with respect to it that is pending or threatened, nor has any Governmental Authority notified the Corporation of such Governmental Authority's intention to commence or to conduct any investigation that would be reasonably likely to have a material adverse effect on the Corporation;
- (m) the corporate records and minute books of the Corporation are current and contain complete and accurate minutes of all meetings of its directors and shareholders and all resolutions consented to in writing;
- (n) to the Corporation's Knowledge, there is no Environmental Liability, nor factors likely to give rise to any Environmental Liability, affecting any of the properties or assets of the Corporation that individually or in the aggregate, could reasonably be expected to have a material adverse effect upon the Corporation and the Corporation has not violated or infringed any environmental law now in effect; the Corporation has not violated or infringed any then current environmental law

as applied at that time, other than such violations or infringements that, individually or in the aggregate, have not had and could not reasonably be expected to have, a material adverse effect on the Corporation;

- (o) to the Corporation's Knowledge, the Corporation has good and marketable title to its properties and other assets (other than property or an asset as to which the Corporation is a lessee, in which case it has a valid leasehold interest), except for encumbrances against such assets in respect of security interests granted in the ordinary course of business;
- (p) to the Corporation's Knowledge, the Corporation owns or possess all licences or rights necessary to use all of the Intellectual Property as currently used in its business as currently operated. The conduct of the Business does not infringe upon the industrial or intellectual property rights, domestic or foreign, of any other person. To the Knowledge of the Corporation, there exist no claims of any infringement or breach of any industrial or intellectual property rights of any other person, and the Corporation has not received any notice that the conduct of the business of the Corporation, including the use of the Intellectual Property, infringes upon or breaches any industrial or intellectual property rights of any other person, or the trade secrets, know-how or confidential or proprietary information of any other person. There exists no infringement or violation by any other person of any of the rights of the Corporation in the Intellectual Property, nor does there exist any state of facts which casts doubt on the validity or enforceability of any of the Intellectual Property;
- (q) the Corporation does not have any employees;
- (r) the Corporation is not insolvent, has not committed any acts of bankruptcy or had a receiver appointed on any of its assets;
- (s) the Corporation has not engaged any broker or other agent in connection with the Transaction and, accordingly, there is no commission, fee or other remuneration payable to any broker or agent who purports or may purport to act or have acted for the Corporation;
- (t) the Corporation has in all respects complied with applicable Securities Laws in including without limitation with respect to the issuance of the Shares to the Shareholders;
- (u) no dividends or other distributions of any kind whatsoever on any shares in the capital of the Corporation have been made, declared or authorized;
- (v) as of the date hereof, the Corporation is not a party to any Material Contract other than the Subscription Agreements; and
- (w) to the Corporation's Knowledge, all documents and written information delivered by or on behalf of the Corporation under or in connection with this Agreement to Molecule or its representatives are complete and correct in all material respects as of the date of this Agreement and the Corporation has not withheld from Molecule any material information necessary to enable Molecule to make an informed assessment and valuation of the business, assets and liabilities of the Corporation.

ARTICLE 5 AMENDMENT AND TERMINATION

5.1 Amendment

This Agreement may, at any time and from time to time, be amended by written agreement of all of the parties hereto, 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 compliance with or modify any representations, warranties or covenants of the parties;
- (c) waive or modify performance of any of the obligations of any of the parties hereto; or
- (d) waive compliance with or modify any conditions precedent contained herein.

5.2 Termination; Survival; Indemnification

- (a) This Agreement may be terminated upon mutual agreement in writing of all the parties hereto.
- (b) The provisions of Article 7 shall survive any termination of this Agreement.

ARTICLE 6 CLOSING ARRANGEMENTS

6.1 Time and Place of Closing

The Closing of the Transaction shall take place at the Time of Closing on the Closing Date remotely or at the offices of Miller Thomson LLP, 5800 Scotia Plaza, 40 King Street West, Toronto, Ontario, M5H 3C1 or as otherwise agreed by the parties.

6.2 Closing Deliveries

- (a) At the Time of Closing, Molecule will deliver or cause to be delivered to the Corporation:
 - (i) an executed copy of the advisory agreement with Gravitas Securities Inc. dated the date hereof;
 - (ii) electronic copies of share certificates evidencing the Payment Shares registered in the respective names of the Shareholders as provided for in Section 2.2, with original share certificates to follow at the request of the Corporation or any Shareholder on the Closing Date or thereafter provided that the corresponding original certificates representing the Securities have first been returned to the Corporation;
 - (iii) the mutual release referred to in subsection 3.1(i), executed by the Corporation;

- (iv) certified copies of the resolutions of the Board of Directors of Molecule approving the Transaction and allotting and issuing the Payment Shares; and
 - (v) a certificate of status for Molecule, dated within one day of the Closing Date.
- (b) At the Time of Closing, the Corporation will deliver or cause to be delivered to Molecule:
- (i) copies of the certificates evidencing the Shares and the Warrants owned by each of the Shareholders where available, and duly executed stock transfer powers in respect of all of the Securities;
 - (ii) a copy of the certificate evidencing the Shares and a copy of the certificate evidencing the Warrants, each issued in the name of Molecule;
 - (iii) certified copies of the joint resolutions of the directors of the Corporation and the Shareholders approving the Transaction and the sale and transfer of the Securities to Molecule, the cancellation of the certificates representing the Shares and the Warrants registered in the names of the respective Shareholders, the issuance of new certificates representing the Shares and Warrants registered in the name of Molecule, and the termination of the ICAP Agreement;
 - (iv) the resignation and mutual release referred to in subsection 3.1(i);
 - (v) an executed termination agreement terminating the ICAP Agreement in a form acceptable to Molecule and legal counsel therefor;
 - (vi) an amount equal to the Purchase Price by wire transfer of immediately available funds to an account designated in writing by Molecule; and
 - (vii) a certificate of status of the Corporation, dated within one day of the Closing Date.
- (c) Forthwith following the Time of Closing, the Corporation will deliver or cause to be delivered to Molecule the physical corporate records of the Corporation as well as any electronic copies thereof that may reasonably be requested by or on behalf of Molecule.

ARTICLE 7 GENERAL

7.1 Notices

Any notice, consent, waiver, direction or other communication required or permitted to be given under this Agreement shall be in writing and may be given by delivering same or sending same by facsimile transmission or email addressed to the party to which the notice is to be given at its address for service herein. Any notice, consent, waiver, direction or other communication aforesaid shall, if delivered, be deemed to have been given and received on the date on which it was delivered to the address provided herein (if a Business Day; if not, the next succeeding Business Day) and if sent by facsimile transmission be deemed to have been given and received

at the time of receipt unless actually received after 4:00 p.m. at the point of delivery, in which case it shall be deemed to have been given and received on the next Business Day.

The address for service of the parties shall be as follows:

- (a) if to Molecule:

[REDACTED]
[REDACTED]

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

[REDACTED]
[REDACTED]
[REDACTED]

Email: antonina@ecslaw.ca

- (b) if to the Corporation:

[REDACTED]
[REDACTED]

- (c) if to a Shareholder, the address for notice of such Shareholder as set out in the records of the Corporation.

7.2 Confidentiality

- (a) From and after the Closing, each Party shall hold, and shall use its commercially reasonable efforts to cause its directors and officers to hold, in confidence any, and all, information, whether written or oral, concerning the Corporation and the Business, except to the extent that the Party can show that such information is:
- (i) generally available to and known by the public through no fault of the Party or its directors or officers; or
 - (ii) lawfully acquired by the Party from and after the Closing from sources that are not prohibited from disclosing such information by a legal, contractual or fiduciary obligation.
- (b) If either Party is compelled to disclose any information by judicial or administrative process or by other requirements of law, such Party shall, to the extent permitted by law, promptly notify the other Party in writing and shall disclose only that portion of such information which such Party is advised by its counsel in writing is legally required to be disclosed, provided that such Party shall use commercially reasonable efforts to obtain an appropriate protective

order or other reasonable assurance that confidential treatment will be accorded such information.

7.3 Assignment

No party may assign this Agreement or its rights or obligations hereunder without the prior written consent of the other parties hereto.

7.4 Binding Effect

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

7.5 Waiver

Any waiver or release of any of the provisions of this Agreement, to be effective, must be in writing executed by the party granting the same.

7.6 Governing Law

This Agreement shall be governed by and construed and interpreted in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

7.7 Expenses

All costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the Party incurring such costs and expenses. For the avoidance of doubt, all costs and expenses incurred by the Corporation prior to as well as in connection with this Agreement and the transactions contemplated hereby shall be paid by the Corporation on or prior to the Closing Date such that the Corporation shall have no remaining liabilities as of the Closing Date.

7.8 Time of Essence

Time is of the essence of this Agreement and of each of its provisions.

7.9 Further Assurances

- (a) Each party will, upon request but without further consideration, from time to time promptly execute and deliver all further documents and take all further action necessary or appropriate to give effect to and perform the provisions and intent of this Agreement and to complete the transactions contemplated hereby.
- (b) Without limiting the foregoing Section 7.9(a):
 - (i) Molecule and each Shareholder, as applicable, will jointly elect or cause a joint election to be made in the forms prescribed under subsection 85(1) of the *Income Tax Act* (Canada) (the “**Act**”) and under any and all equivalent provisions of any other applicable provincial legislation, in respect of the transfer of the Shares in form and substance mutually agreeable between them and within the time and in the manner required by such legislation. For greater certainty, the amounts which Molecule and each Shareholder, as applicable, will set out in the election forms prescribed under subsection 85(1) of the Act, and under any and all equivalent provisions of any other

applicable provincial legislation, in respect of the transfer of the Shares will be mutually agreed between them.

- (ii) If, at any time in the future, the parties make a determination or any governmental authority having jurisdiction makes a determination (to which the parties acquiesce or from which there is no further right to object or appeal) in respect of the Shares that the adjusted cost base of any Shares is as at the closing time an amount other than the amount determined for purposes of making the election(s), such cost amounts shall be such amount as finally determined, and Molecule and each Shareholder, as applicable, shall take all commercially reasonable actions to amend the election(s) in a manner that would result in the same tax consequences to the such Shareholder as was contemplated in the elections before such determination.

7.10 Counterparts and Facsimile Signatures

This Agreement and any amendment, supplement or restatement of this Agreement may be executed and delivered in one or more counterparts and may be executed and delivered by facsimile and each of which when executed and delivered shall be deemed an original and all of which counterparts and facsimiles together shall be deemed to constitute one and the same instrument.

[Signature page follows]

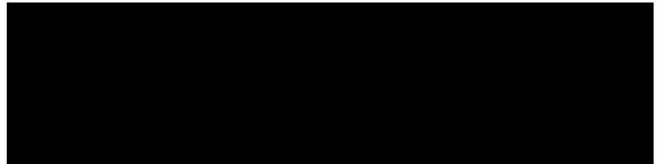
DATED as of the date first written above.

MOLECULE INC.

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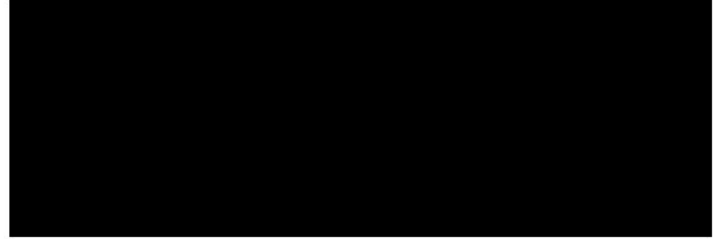
Title: President

BURRARD BAY INC.

A large black rectangular redaction box covering the signature area.A large black rectangular redaction box covering the signature area.

DATED as of the date first written above.

MOLECULE INC.



BURRARD BAY INC.

