

SHARE EXCHANGE AGREEMENT

THIS AGREEMENT is made effective March 10, 2020,

AMONG:

BLOCK X CAPITAL CORP., a company incorporated under the laws of British Columbia with an office at 918-1030 West Georgia Street Vancouver, British Columbia, V6E 2Y3

("Block X")

AND:

CBIO BRAND DEVELOPMENT INC., a company incorporated under the laws of British Columbia with an office at 1055 West Hastings St., Suite 1070, Vancouver, BC V6E 2E9

("CBIO")

AND:

THE HOLDERS OF SHARES ISSUED BY CBIO, as listed in Schedule "A" attached hereto

(collectively, the "CBIO Shareholders")

WHEREAS:

- A. The CBIO Shareholders are the owners of all of the issued and outstanding shares issued by CBIO; and
- B. Block X wishes to purchase all of the issued and outstanding shares of CBIO from the CBIO Shareholders in exchange for Post-Consolidation Shares (as defined herein), upon and subject to the terms and conditions set forth in this Agreement.

NOW THEREFORE THIS AGREEMENT WITNESSES that, in consideration of the covenants and agreements herein contained, the parties hereto do covenant and agree each with the other as follows:

1. INTERPRETATION

1.1 Defined terms – The following terms have the following meanings in this Agreement:

- (a) "**Acquisition**" means the acquisition of all of the CBIO Shares by Block X in exchange for Block X Shares pursuant to the terms and conditions of this Agreement;
- (b) "**Act**" means the *Income Tax Act* (Canada);
- (c) "**Agreement**" means this share exchange agreement among Block X, CBIO and the CBIO Shareholders dated March 10, 2020;

- (d) "**Applicable Laws**" means all applicable rules, policies, notices, orders and legislation of any kind whatsoever of any Governmental Authority having jurisdiction over the transactions contemplated hereby or the parties to this Agreement;
- (e) "**BCICAC**" means the British Columbia International Commercial Arbitration Centre and includes any entity which replaces the BCICAC or which substantially succeeds to its powers or functions;
- (f) "**Block X Shares**" means the common shares in the capital of Block X;
- (g) "**Business Day**" means any day except Saturday, Sunday or a statutory holiday in Vancouver, British Columbia, Canada;
- (h) "**CBIO Shareholders**" means the Persons listed in Schedule "A";
- (i) "**CBIO Shares**" means the 13,800,000 issued and outstanding common shares in the capital of CBIO;
- (j) "**Closing Date**" means March 10, 2020 or such other date as mutually agreed by CBIO and Block X;
- (k) "**Closing**" means the completion of the Acquisition on the Closing Date pursuant to the terms and conditions contained in this Agreement;
- (l) "**Clawback Date**" means March 1, 2021;
- (m) "**Elected Amount**" has the meaning set out in Section 3.1(d);
- (n) "**Exchange Ratio**" means 6,900,000 Post-Consolidation Shares for the CBIO Shares, with each CBIO Shareholder to receive such number of the aggregate of 6,900,000 Post-Consolidation Shares to reflect the pro rata holding of each CBIO Shareholder in CBIO immediately before the Closing Date, upon and subject to the terms and conditions of this Agreement;
- (o) "**Exemptions**" has the meaning set out in Section 2.3(a);
- (p) "**Governmental Authority**" means any government or governmental, administrative, regulatory or judicial body, department, commission, authority, tribunal, agency or entity;
- (q) "**Material Adverse Change**" means, with respect to a Party, any matter or action that has an effect or change that is, or would reasonably be expected to be, material and adverse to the business, operations, assets, capitalization, financial conditions or prospects of a Party and its subsidiaries, taken as a whole, other than any matter, action, effect or change relating to or resulting from: (i) conditions affecting the marijuana or hemp industries, as a whole in North America, and not specifically relating to the Party and/or its subsidiaries, including changes in laws (including tax laws); (ii) any natural or biological disaster where the Parties are located, provided such changes do not have a materially disproportionate effect on the applicable Party relative to comparable companies; (iii) any matter which has been communicated in writing to the other Parties as of the date hereof; or (iv) any changes or effects arising from matters permitted or contemplated by this Agreement or consented to in writing by the other Parties;

- (r) **"New Share Certificate"** has the meaning set out in Section 6.2(a);
- (s) **"Old Share Certificate"** has the meaning set out in Section 6.2(a);
- (t) **"Parties"** means each of Block X, CBIO and the CBIO Shareholders and **"Party"** means each one of them, as applicable;
- (u) **"Person"** means a natural person, partnership, limited partnership, limited liability partnership, corporation, limited liability corporation, unlimited liability company, joint stock company, trust, unincorporated association, joint venture or other entity or Governmental Authority;
- (v) **"Post-Consolidation Shares"** means the Block X Shares following the completion of a consolidation of the issued and outstanding Block X Shares on the basis of one post-consolidation Block X Share for every two pre-consolidation Block Shares;
- (w) **"Restricted CBIO Shares"** has the meaning set out in Section 3.3(e);
- (x) **"Security Interest"** includes a mortgage, debenture, charge, encumbrance, lien, pledge, assignment or deposit by way of security, bill of sale, lease, hypothecation, hire purchase, credit sale, agreement for sale on deferred terms, caveat, claim, covenant, interest or power in or over an interest in an asset and any agreement or commitment to give or create any such security interest or preferential ranking to a creditor including set off; and
- (y) **"Time of Closing"** means 10:00 a.m. (Vancouver time) on the Closing Date, or such other time as Block X and CBIO may agree.

1.2 **Schedules** – The following schedules attached hereto constitute a part of this Agreement:

Schedule "A" – List of CBIO Shareholders

1.3 **Headings** – The headings in this Agreement are for reference only and do not constitute terms of the Agreement.

1.4 **Interpretation** – Unless the context of this Agreement otherwise requires, to the extent necessary so that each clause will be given the most reasonable interpretation, the singular number will include the plural and vice versa, the verb will be construed as agreeing with the word so substituted, words importing the masculine gender will include the feminine and neuter genders, words importing persons will include firms and corporations and words importing firms and corporations will include individuals.

1.5 **Knowledge** – Whenever in this Agreement a representation and warranty is qualified by the statement "to the best knowledge" of a Party or any similar statement, that statement shall mean to the best knowledge of the Party's directors and officers after having made due and reasonable enquiries and investigations.

2. **PURCHASE AND SALE**

2.1 **Agreement** – Subject to the terms and conditions of this Agreement:

- (a) On the Closing Date, each of the CBIO Shareholders hereby agrees to sell, assign and transfer to Block X all (and not less than all) of the CBIO Shares owned by such CBIO

Shareholder as set forth in Schedule "A", and Block X agrees to purchase all (and not less than all) of the CBIO Shares from each of the CBIO Shareholders in exchange for the issuance of Post-Consolidation Shares to the CBIO Shareholders, on the basis of the Exchange Ratio, subject to adjustment in the event of any stock splits, consolidations, stock dividends or other events affecting the outstanding Block X Shares or CBIO Shares;

- (b) Block X will not be obliged to complete the purchase of any CBIO Shares unless the purchase of all CBIO Shares is completed simultaneously at the Closing; and
- (c) If a CBIO Shareholder appears to be entitled to a fractional Post-Consolidation Share, the CBIO Shareholder's entitlement will be rounded down to the nearest whole number of Post-Consolidation Shares.

2.2 Escrow and Clawback –

- (a) Each of the CBIO Shareholders acknowledges and agrees that the certificates representing the Post-Consolidation Shares described in Section 2.1(a) shall be held in escrow by Block X and only released in accordance with Section 2.2(d). Each CBIO Shareholder hereby irrevocably directs Block X to instruct Block X's transfer agent that all Post-Consolidation Shares shall be delivered to Block X and further irrevocably agrees to take such actions as Block X may request to carry out the escrow of Post-Consolidation Shares contemplated hereby;
- (b) Each of the CBIO Shareholders agrees that, while the Post-Consolidation Shares are held in escrow pursuant to Section 2.2(a) he, she or it will not sell, transfer, assign, mortgage, enter into a derivative transaction concerning, or otherwise deal in any way, directly or indirectly, with such Post-Consolidation Shares or any related share certificates or other evidence of the Post-Consolidation Shares;
- (c) Each of the CBIO Shareholders acknowledges that, while the Post-Consolidation Shares are held in escrow pursuant to Section 2.2(a) he, she or it may (i) exercise any voting rights attached to such Post-Consolidation Shares and (ii) receive a dividend or other distribution on such Post-Consolidation Shares, and elect the manner of payment from the standard options offered by Block X;
- (d) Each of the CBIO Shareholders hereby irrevocably authorizes and directs Block to deliver from escrow, and Block X hereby agrees to deliver from escrow:
 - (i) 1,725,000 Post-Consolidation Shares on the date that is five business days from the end of any three month period following the Closing Date and before the Clawback Date in which CBIO generates \$500,000 or more in gross revenue in such three month period;
 - (ii) 1,725,000 Post-Consolidation Shares on the date that is five business days from the end of any three month period following the Closing Date and before the Clawback Date in which CBIO generates \$1,000,000 or more in gross revenue in such three month period;
 - (iii) 1,725,000 Post-Consolidation Shares on the date that is five business days from the end of any three month period following the Closing Date and before the Clawback

Date in which CBIO generates \$2,000,000 or more in gross revenue in such three month period; and

- (iv) 1,725,000 Post-Consolidation Shares on the date that is five business days from the end of any three month period following the Closing Date and before the Clawback Date in which CBIO generates \$4,000,000 or more in gross revenue in such three month period,

to the addresses of the CBIO Shareholders set forth in Schedule "A"; and

- (e) In the event that any Post-Consolidation Shares remain in escrow pursuant to Section 2.2(a) on the Clawback Date, then each CBIO Shareholder hereby irrevocably directs Block X to cancel and return to treasury such number of Post-Consolidation Shares still in escrow, for no consideration paid by Block X and with no further action or consent required by such CBIO Shareholder.

2.3 **Acknowledgements** – Each of the CBIO Shareholders hereby acknowledges and agrees with Block X as follows:

- (a) the transfer of the CBIO Shares and the issuance of Post-Consolidation Shares will be made pursuant to applicable exemptions (the "**Exemptions**") from the formal takeover bid and registration and prospectus (or equivalent) requirements of the Applicable Laws;
- (b) the CBIO Shareholder is knowledgeable of, or has been independently advised as to, the Applicable Laws of their jurisdiction of residence which apply to the sale of the Post-Consolidation Shares and the issuance of Post-Consolidation Shares and which may impose restrictions on the resale of such Block X Shares in that jurisdiction and it is the responsibility of the CBIO Shareholder to find out what those trade restrictions are, and to comply with such restrictions before selling its Post-Consolidation Shares; and
- (c) the CBIO Shareholder also acknowledges that the certificates for Post-Consolidation Shares may bear a legend or legends respecting restrictions on transfers as required under Applicable Laws and that such CBIO Shareholder has been advised to consult its own legal advisor with respect to applicable resale restrictions and that it is solely responsible for complying with such restrictions.

3. **COVENANTS AND AGREEMENTS**

3.1 **Given by Block X** – Block X covenants and agrees with CBIO that Block X will:

- (a) from and including the date of this Agreement through to and including the Time of Closing, do all such acts and things reasonably necessary to ensure that all of the representations and warranties of Block X contained in this Agreement remain true and correct in all material respects and not do any such act or thing that would render any representation or warranty of Block X untrue or incorrect in any material respect;
- (b) use its reasonable commercial efforts to obtain all necessary approvals as may be required for the performance of Block X of its obligations under this Agreement prior to the Closing;

- (c) from and including the date of this Agreement through to and including the Time of Closing, except as set out in this Agreement, not issue or reach any agreement or understanding with any other party to issue any securities without the prior written consent of CBIO;
- (d) jointly elect, pursuant to Subsection 85(1) of the *Income Tax Act* (the “**Act**”) and any applicable provincial legislation in the prescribed form and within the time referred to in Subsection 85(6) of the Act and any applicable provincial legislation, to transfer the Shares on a fully tax-deferred basis from the CBIO Shareholders to Block X at the elected amount (the “**Elected Amount**”) determined by each of the CBIO Shareholders, such Elected Amount shall be in compliance with the limits set out in Section 85 of the Act and any applicable provincial legislation. For greater certainty, the parties intend that the purchase and sale of the CBIO Shares contemplated under this Agreement shall not give rise to any immediate income tax liability whatsoever;
- (e) in the event that the Canada Revenue Agency disputes the Elected Amount, agree to amend the election referred to in Section 3.1(e) in accordance with the provisions of the Act and the regulations thereunder and any applicable provincial legislation so that the Elected Amount shall be the amount finally determined as such Elected Amount, whether by a court of competent jurisdiction or the Canada Revenue Agency (in either case, where no further right of appeal is available) or by a settlement approved by the applicable CBIO Shareholder, Block X and the Canada Revenue Agency. The parties agree that should it be necessary to file an amended election pursuant to Section 85 of the Act for the purpose of transferring the CBIO Shares at a revised Elected Amount, any penalty assessed by the Canada Revenue Agency or a similar provincial authority will be borne by the applicable CBIO Shareholder;
- (f) prior to the Closing Date, consolidate the Block X Shares on a basis of one Post-Consolidation Share for every two pre-consolidation Block X Shares; and
- (g) comply with the terms of this Agreement and faithfully and expeditiously seek to close the Acquisition by the Closing Date, or such other date as may be requested by CBIO, acting reasonably.

3.2 **Given by CBIO** – CBIO covenants and agrees with Block X that CBIO will:

- (a) from and including the date of this Agreement through to and including the Time of Closing, do all such acts and things reasonably necessary to ensure that all of the representations and warranties of CBIO contained in this Agreement remain true and correct in all material respects and not do any such act or thing that would render any representation or warranty untrue or incorrect in any material respect;
- (b) use its reasonable commercial efforts to obtain all necessary approvals as may be required for the performance of CBIO of its obligations under this Agreement;
- (c) comply with the terms of this Agreement and faithfully and expeditiously seek to close the Acquisition by the Closing Date, or such other date as may be requested by Block X, acting reasonably; and
- (d) from and including the date of this Agreement through to and including the Time of Closing, except as set out in this Agreement, not reach any agreement or understanding with any other party to issue any securities without the prior written consent of Block X.

3.3 **Given by the CBIO Shareholders** – Each of the CBIO Shareholders covenants and agrees with Block X that such CBIO Shareholder will:

- (a) from and including the date of this Agreement through to and including the Time of Closing, do all such acts and things reasonably necessary to ensure that all of the representations and warranties of such CBIO Shareholder contained in this Agreement remain true and correct in all material respects and not do any such act or thing that would render any such representation or warranty untrue or incorrect in any material respect;
- (b) not transfer, sell, encumber or otherwise dispose of any of its CBIO Shares or any interest therein without the prior written consent of Block X;
- (c) jointly elect, pursuant to Subsection 85(1) of the Act and any applicable provincial legislation in the prescribed form and within the time referred to in Subsection 85(6) of the Act and any applicable provincial legislation, to transfer the CBIO Shares on a fully tax-deferred basis from each of the applicable CBIO Shareholders to Block X at the Elected Amount, such Elected Amount shall be in compliance with the limits set out in Section 85 of the Act and any applicable provincial legislation. For greater certainty, the Parties intend that the purchase and sale of the CBIO Shares contemplated under this Agreement shall not give rise to any immediate income tax liability whatsoever;
- (d) in the event that the Canada Revenue Agency disputes the Elected Amount, agree to amend the election referred to in Section 3.3(c) in accordance with the provisions of the Act and the regulations thereunder and any applicable provincial legislation so that the Elected Amount shall be the amount finally determined as such Elected Amount, whether by a court of competent jurisdiction or the Canada Revenue Agency (in either case, where no further right of appeal is available) or by a settlement approved by the applicable CBIO Shareholder, Block X and the Canada Revenue Agency. The Parties agree that should it be necessary to file an amended election pursuant to Section 85 of the Act for the purpose of transferring the CBIO Shares at a revised Elected Amount, any penalty assessed by the Canada Revenue Agency or a similar provincial authority will be borne by the applicable CBIO Shareholder;
- (e) each of the CBIO Shareholders, whose CBIO Shares are subject to certain contractual restrictions on trading ("**Restricted CBIO Shares**"), agree and acknowledge that the Post-Consolidation Shares they are entitled to receive on the Closing Date pursuant to this Agreement will be subject to the same contractual restrictions as are applicable to their previously held Restricted CBIO Shares; and
- (f) comply with the terms of this Agreement and faithfully and expeditiously seek to close the Acquisition by the Closing Date.

4. **CONDITIONS PRECEDENT**

4.1 **In favour of all parties** – The obligations of the Parties under this Agreement are subject to the fulfillment of the following conditions at or prior to the Closing:

- (a) this Agreement shall not have been terminated in accordance with its terms;
- (b) the acceptance of the Acquisition by the Canadian Securities Exchange; and

- (c) there shall not be in force any order or decree restraining or enjoining the consummation of the transactions contemplated by this Agreement.

4.2 **In favour of Block X** – Block X's obligations under this Agreement are subject to the fulfilment of the following conditions at or prior to the Closing:

- (a) CBIO having not more than 13,800,000 CBIO Shares issued and outstanding on the Closing Date;
- (b) the CBIO Shareholders and the CBIO board of directors will have given all necessary approvals for the entry into of this Agreement and all transactions to be completed by CBIO as contemplated hereunder;
- (c) CBIO and each of the CBIO Shareholders shall have complied in all material respects with all of their respective covenants and agreements contained in this Agreement;
- (d) the representations and warranties contained in this Agreement of CBIO and each of the CBIO Shareholders shall be true in all material respects as if such representations and warranties had been made by CBIO and such CBIO Shareholders as of the Time of Closing (with modifications necessary to reflect the transactions contemplated by this Agreement);
- (e) there shall have been obtained the written consents or approvals, in form and substance satisfactory to Block X, acting reasonably, of any Governmental Authority or persons whose consent to the transactions contemplated hereby is required, and all conditions imposed upon such consents shall have been satisfied;
- (f) all documents necessary to complete the transfer of all legal and beneficial ownership of all (and not less than all) CBIO Shares shall have been delivered at the Closing; and
- (g) the absence of any Material Adverse Change in the business, financial condition, prospects, assets or operations of CBIO.

The conditions precedent set forth above are for the exclusive benefit of Block X and may be waived by it in whole or in part on or before the Time of Closing.

4.3 **In favour of CBIO** – The obligations of CBIO and the CBIO Shareholders under this Agreement are subject to the fulfilment of the following conditions:

- (a) Block X shall have complied in all material respects with all of its covenants and agreements contained in this Agreement;
- (b) the representations and warranties of Block X contained in this Agreement shall be true in all material respects as if such representations and warranties had been made by Block X as of the Time of Closing (with modifications necessary to reflect the transactions contemplated by this Agreement); and
- (c) the absence of any Material Adverse Change in the business, financial condition, prospects, assets or operations of Block X.

The conditions precedent set forth above are for the exclusive benefit of CBIO and the CBIO Shareholders and may be waived by CBIO (on its own behalf and on behalf of the CBIO Shareholders) in whole or in part on or before the Time of Closing.

5. REPRESENTATIONS AND WARRANTIES

5.1 **Concerning Block X** – In order to induce CBIO and the CBIO Shareholders to enter into this Agreement and complete their respective obligations hereunder, Block X represents and warrants to and covenants with CBIO and the CBIO Shareholders as follows:

- (a) **Incorporation and Qualification** – Block X is a corporation incorporated and existing under the laws of British Columbia and has the corporate power to own and operate its property, carry on its business and enter into and perform its obligations under this Agreement. This Agreement constitutes a legal, valid and binding agreement of Block X and is enforceable against Block X in accordance with its terms and conditions, subject to applicable bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the rights and remedies of creditors and the general principles of equity.
- (b) **Corporate Authority** – The execution, delivery and performance by Block X of this Agreement and the completion of the transactions contemplated hereunder, have been duly authorized by all necessary corporate action on the part of Block X.
- (c) **Authorized and Issued Capital** – Block X is authorized to issue an unlimited number of common shares, of which 58,225,756 common shares are validly issued and outstanding as fully paid and non-assessable shares as of the Closing Date.
- (d) **No Other Agreements to Purchase** – Except for the 3,265,000 stock options issued under Block X's stock option plan and 10,000,000 Block X Share purchase warrants issued pursuant to a private placement, there are no options, agreements, rights of first refusal or other rights capable of becoming such to acquire common shares of Block X, nor are there any outstanding securities of any kind whatsoever calling for the issuance of any of the unissued shares of Block X.
- (e) **Compliance with Laws** – Block X is conducting its business in compliance in all material respects with all Applicable Laws of British Columbia.

5.2 **Concerning CBIO** – In order to induce Block X to enter into this Agreement and complete its obligations hereunder, CBIO represents and warrants to and covenants with Block X as follows:

- (a) **Incorporation and Qualification** – CBIO is a corporation incorporated and existing under the laws of British Columbia and has the corporate power to own and operate its property, carry on its business and enter into and perform its obligations under this Agreement. This Agreement constitutes a legal, valid and binding agreement of CBIO and is enforceable against CBIO in accordance with its terms and conditions, subject to applicable bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the rights and remedies of creditors and the general principles of equity.
- (b) **Required Approvals** – There is no requirement to obtain any third party consent or approval as a condition to the lawful completion by CBIO of the transactions contemplated by this Agreement.

- (c) **Corporate Authority** – The execution, delivery and performance by CBIO of this Agreement and the completion of the transactions contemplated hereunder, have been duly authorized by all necessary corporate action on the part of CBIO.
- (d) **Authorized and Issued Capital** – The authorized capital of CBIO consists of an unlimited number of common shares, of which 13,800,000 common shares are validly issued and outstanding as fully paid and non-assessable shares. A true and complete list of the CBIO Shareholders, their names, addresses and holdings of CBIO Shares is set out in Schedule "A".
- (e) **No Other Agreements to Purchase** – There are no options, agreements, rights of first refusal or other rights capable of becoming such to acquire all or any part of the CBIO Shares.
- (f) **Compliance with Laws** – To the best of its knowledge, CBIO has conducted and is conducting its business in compliance with all Applicable Laws in the jurisdictions in which such business is carried on.
- (g) **Title to Assets** – CBIO owns (with good title) all of the assets (whether real, personal or mixed and whether tangible or intangible) that it purports to own.
- (h) **No Breach of Laws** – To the best knowledge of CBIO, CBIO is not in breach of any law, ordinance, statute, regulation, by-law, order or decree of any kind whatsoever.
- (i) **Not a Reporting Issuer, No Published Market** – CBIO is not a reporting issuer in any jurisdiction and there is no published market for the CBIO Shares.

5.3 **Concerning the CBIO Shareholders** – In order to induce Block X to enter into this Agreement and complete its obligations hereunder, each of the CBIO Shareholders severally represents and warrants to Block X that:

- (a) **Qualification** – If the CBIO Shareholder is an individual, he is of legal age and is legally competent to enter into and perform his obligations under this Agreement. If the CBIO Shareholder is a corporation, it is a corporation incorporated and validly existing under the jurisdiction of its incorporation and has the corporate power to own and operate its property, carry on its business and enter into and perform its obligations under this Agreement.
- (b) **Binding Agreement** – This Agreement constitutes a legal, valid and binding agreement of the CBIO Shareholder and is enforceable against such CBIO Shareholder in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium and other similar laws.
- (c) **Title to CBIO Shares**
 - (i) Such CBIO Shareholder is the legal and, unless otherwise indicated in Schedule "A", beneficial owner of the CBIO Shares, registered in its name as set out in Schedule "A", with good title, free and clear of all liens, charges, encumbrances, Security Interests and resale restrictions.
 - (ii) On Closing, Block X will have good and valid title to such CBIO Shares free and clear of all liens, charges, encumbrances, Security Interests and resale restrictions.

- (d) **No Other Agreements to Purchase** – Except for Block X's rights under this Agreement, there is no option, agreement or other right capable of becoming such to acquire from such CBIO Shareholder any of the CBIO Shares.
- (e) **Resale Restrictions** – Such CBIO Shareholder acknowledges and agrees to be bound by any restrictions on the resale of the Post-Consolidation Shares issued to it at the Closing, and subsequently as referred to in Section 2.1(a), that may be imposed by Applicable Laws or this Agreement and agrees that the certificates representing such Post-Consolidation Shares may contain a legend or legends to that effect or referring to such resale restrictions.
- (f) **Independent Legal and Financial Advice** – Such CBIO Shareholder has been advised prior to entering into this Agreement to obtain, and has obtained, such independent legal, financial (including tax) and other advice as it deems to be necessary or advisable in connection herewith, and waives any claim which it may now or in the future have with respect to this Agreement or the subject matter hereof based in any way on the absence of, lack of access to or shortness of time available to rely on such advice.
- (g) **Tax Matters** – Such CBIO Shareholder is not a non-resident of Canada within the meaning of the Act.

5.4 **Survival**

- (a) The representations and warranties made by the Parties under this Part 5 are true and correct as of the date of this Agreement and shall be true and correct at the Time of Closing as though they were made at that time.
- (b) Should any of the representations and warranties made by any CBIO Shareholder in Section 5.3 not be true and correct as of the date of this Agreement or at the Time of Closing as though they were made at that time, Block X shall be entitled, for a period of two years following the Closing, to seek remedy against such CBIO Shareholder for any such misrepresentation or breach of warranty. Notwithstanding the foregoing, should any of the representations and warranties made by any CBIO Shareholder in Section 5.3(c) or (d) not be true and correct as of the date of this Agreement or at the Time of Closing as though they were made at that time, subject to any limitation periods applicable under Applicable Laws, Block X will be entitled, for an indefinite period following the Closing, to seek remedy against such CBIO Shareholder for any such misrepresentation or breach of warranty.
- (c) Should any of the representations and warranties made by Block X in Section 5.1(a), Section 5.1(c) or Section 5.1(d) not be true and correct as of the date of this Agreement or at the Time of Closing as though they were made at that time, each CBIO Shareholder shall be entitled, for a period of two years following the Closing, to seek remedy against Block X for any such misrepresentation or breach of warranty.
- (d) Except as otherwise provided in Section 5.4 after the expiration of such two-year period, no Party or Parties shall have any further liability with respect to any breach of any representation or warranty contained herein, except for those alleged breaches for which notice has been given prior to the end of such two-year period. All other representations and warranties made by the Parties under this Part 5 shall terminate and be of no further force or effect immediately after the Time of Closing.

5.5 **No Limit on Rights** – The Parties each acknowledge and agree that a Party's investigations shall in no way limit or otherwise adversely affect that Party's rights under the representations and warranties given to it by any other Party or Parties under this Agreement.

6. CLOSING

6.1 **Closing** – The Closing shall take place at the Time of Closing at the office of DuMoulin Black LLP in Vancouver, British Columbia, Canada, or at such other place upon which Block X and CBIO may agree.

6.2 **Deliveries by CBIO and the CBIO Shareholders** – At the Closing, CBIO shall deliver to Block X the following documents:

- (a) a certified true copy of the resolutions of the directors and, if necessary, the CBIO Shareholders, evidencing that the board of directors and, if applicable, CBIO Shareholders, have approved this Agreement, the Acquisition and all of the transactions of CBIO and the CBIO Shareholders contemplated hereunder and the resolutions shall include specific reference to:
 - (i) the sale and transfer of the CBIO Shares from the CBIO Shareholders to Block X as provided for in this Agreement;
 - (ii) the cancellation of the certificates (the "**Old Share Certificates**") representing the CBIO Shares held by the CBIO Shareholders; and
 - (iii) the issuance of one or more new certificate(s) (the "**New Share Certificate(s)**") representing the CBIO Shares registered in the name of the Block X or otherwise as directed by Block X;
- (b) the Old Share Certificates, and if required, with the form of transfer on the reverse duly executed for transfer or accompanied by a duly executed stock power of attorney;
- (c) the New Share Certificate(s);
- (d) a certificate signed by authorized representatives of CBIO that the representations and warranties of CBIO contained in this Agreement are true and correct in every respect as of the Time of Closing on the Closing Date; and
- (e) such other materials or documents that are, in the opinion of Block X acting reasonably, required to be delivered by CBIO and the CBIO Shareholders in order to meet their obligations under this Agreement.

6.3 **Deliveries by Block X** – At the Time of Closing on the Closing Date, Block X shall deliver to CBIO, on its own behalf and on behalf of the CBIO Shareholders, as applicable:

- (a) certified true copies of the resolutions of the directors of Block X evidencing the approval of this Agreement and all of the transactions of Block X contemplated hereunder;
- (b) proof of the issuance of the certificates representing the Post-Consolidation Shares referred to in Section 2.1(a) but held in escrow by Block X as described in Section 2.2(a), registered in the respective names of the CBIO Shareholders as set forth in Schedule "A";

- (c) a certificate signed by an officer of Block X that the representations and warranties of Block X contained in this Agreement are true and correct in every respect as of the Time of Closing; and
- (d) such other materials or documents that are, in the opinion of CBIO acting reasonably, required to be delivered by Block X in order to meet its obligations under this Agreement.

7. ORDINARY COURSE

Until the Time of Closing, neither CBIO nor Block X shall, without the prior written consent of the other, enter into any contract in respect of its business or assets, other than in the ordinary course of business, and each Party shall continue to carry on its business and maintain its assets in the ordinary course of business, shall maintain payables and other liabilities at levels consistent with past practice, shall not engage in any extraordinary material transactions and shall make no distributions, dividends or special bonuses, shall not repay any shareholders' loans, or enter into or renegotiate any employment or consulting agreement with any officer, in each case without the prior written consent of the other which shall not be unreasonably withheld, and shall otherwise comply with its respective covenants as set forth in Section 3 hereof.

8. TERMINATION

8.1 **By the parties** – Each of CBIO (on its own behalf and on behalf of the CBIO Shareholders) and Block X shall, in its sole discretion, have the right to terminate this Agreement upon written notice to the other if Block X or CBIO or any of the CBIO Shareholders, as applicable, has breached or is in default of any material term of this Agreement and fails to cure or remedy such breach or default within 14 days after receiving written notice thereof from the Party not in breach or default.

8.2 **Survival** – In the event this Agreement is terminated, the provisions of Section 10 shall survive the termination.

9. STANDSTILL AGREEMENT

From the date of this Agreement until completion of the transactions contemplated herein or the earlier termination hereof, CBIO, the CBIO Shareholders and Block X will not, directly or indirectly, solicit, initiate, assist, facilitate, promote or encourage proposals or offers from, entertain or enter into discussions or negotiations with, or provide information relating to the securities, business, operations, affairs or financial condition of CBIO or Block X to any persons in connection with the acquisition or distribution of any securities of CBIO or Block X, or any amalgamation, merger, consolidation, arrangement, restructuring, refinancing, sale of any material assets of CBIO or Block X, unless such action, matter or transaction is part of the transactions contemplated in this Agreement or is satisfactory to, and is approved in writing in advance by CBIO and Block X or is necessary to carry on the normal course of business.

10. PUBLIC DISCLOSURE

10.1 **Restrictions on disclosure** – No disclosure or announcement, public or otherwise, in respect of this Agreement or the transactions contemplated herein will be made by any Party without the prior written agreement of Block X and CBIO as to timing, content and method, provided that the obligations herein will not prevent any Party from making, after consultation with Block X and CBIO, such disclosure as its counsel advises is required by Applicable Laws or as is required to carry out the transactions contemplated in this Agreement or the obligations of any of the Parties hereto.

10.2 **Confidentiality** – Except with the prior written consent of Block X and CBIO, each of the Parties and its respective employees, officers, directors, shareholders, agents, advisors and other representatives will hold all information received from a Party concerning any of Block X, CBIO or any of the CBIO Shareholders in confidence and shall not be disclosed or used by the recipients thereof, except such information and documents available to the public or as are required to be disclosed by Applicable Laws. All such information in written or electronic form and documents will, at a Party's request, be promptly returned to the party originally delivering them in the event that the transactions provided for in this Agreement are not completed.

10.3 **Personal Information** – Each of the CBIO Shareholders hereby consents to the disclosure of his or her personal information in connection with the transactions contemplated by this Agreement and acknowledges and consents to the fact that CBIO and Block X are collecting the personal information (as that term is defined under applicable privacy legislation, including the *Personal Information Protection and Electronic Documents Act* (Canada) and any other applicable similar, replacement or supplemental provincial or federal legislation or laws in effect in Canada from time to time) of the CBIO Shareholder for the purposes of completing this Agreement and the transactions contemplated hereby. Each CBIO Shareholder acknowledges and consents to CBIO and Block X retaining such personal information for as long as permitted or required by law or business practices. Each CBIO Shareholder further acknowledges and consents to the fact that CBIO and Block X may be required by applicable securities legislation to provide regulatory authorities with any personal information provided by the CBIO Shareholders in this Agreement and each CBIO Shareholder further consents to the public disclosure of such information, including this Agreement in its entirety, by electronic filing or by any other means.

11. GENERAL

11.1 **Time** – Time and each of the terms and conditions of this Agreement shall be of the essence of this Agreement and any waiver by the Parties of this Section or any failure by them to exercise any of their rights under this Agreement shall be limited to the particular instance and shall not extend to any other instance or matter in this Agreement or otherwise affect any of their rights or remedies under this Agreement.

11.2 **Entire agreement** – This Agreement constitutes the entire Agreement between the Parties hereto in respect of the matters referred to herein and there are no representations, warranties, covenants or agreements, expressed or implied, collateral hereto other than as expressly set forth or referred to herein.

11.3 **Further assurances** – The Parties hereto shall execute and deliver all such further documents and instruments and do all such acts and things as any Party may, either before or after the Closing, reasonably require of the others in order that the full intent and meaning of this Agreement is carried out. The provisions contained in this Agreement which, by their terms, require performance by a Party to this Agreement subsequent to the Closing, shall survive the Closing.

11.4 **Amendments** – No alteration, amendment, modification or interpretation of this Agreement or any provision of this Agreement shall be valid or binding upon the Parties hereto unless such alteration, amendment, modification or interpretation is in written form executed by Block X and CBIO.

11.5 **Notices** – Any notice, request, demand, election and other communication of any kind whatsoever to be given under this Agreement shall be in writing and shall be delivered by hand, e-mail or mailed by prepaid registered post to the Parties at their following respective addresses:

(a) to CBIO or the CBIO Shareholders:

CBIO Brand Development Inc.

1055 West Hastings Street, Suite 1070
Vancouver, British Columbia, V6E 2E9
Attention: Lisa Little
E-mail: [Redacted – Personal Information.]

(b) to Block X Capital Corp.:

Block X Capital Corp.
918-1030 West Georgia Street,
Vancouver, British Columbia, V6E 2Y3
Attention: Arni Johannson
E-mail: [Redacted – Personal Information.]

or to such other addresses as may be given in writing by the Parties hereto in the manner provided for in this Section. Any notice delivered or e-mailed shall be deemed to have been given and received on the Business Day next following the date of delivery or e-mailing, as the case may be.

11.6 **Expenses** – Each Party shall be responsible for the payment of its own costs and expenses, including legal fees and disbursements, incurred by it in connection with the negotiation and execution of this Agreement.

11.7 **Assignment** – This Agreement may not be assigned by any Party hereto without the prior written consent of Block X and CBIO.

11.8 **Dispute Resolution** – Any dispute, controversy or claim arising out of or relating to this Agreement or the reach, termination or invalidating thereof, shall be settled by arbitration of a single arbitrator in accordance with the then current domestic commercial arbitration rules of the BCICAC.

11.9 **Governing law** – This Agreement shall be subject to, governed by, and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein, and the Parties hereby attorn to the non-exclusive jurisdiction of the courts of British Columbia.

11.10 **Counterparts** – This Agreement may be executed in counterpart and by e-mail or other electronic means, and each copy so signed shall be deemed to be an original, and all such counterparts together shall constitute one and the same instrument.

11.11 **Severability** – If any one or more of the provisions contained in this Agreement should be invalid, illegal or unenforceable in any respect in any jurisdiction, the validity, legality and enforceability of such provision or provisions will not in any way be affected or impaired thereby in any other jurisdiction and the validity, legality and enforceability of the remaining provisions contained herein will not in any way be affected or impaired thereby, unless in either case as a result of such determination this Agreement would fail in its essential purpose.

11.12 **Enurement** – This Agreement shall enure to the benefit of and be binding upon the Parties hereto and their respective successors, permitted assigns, trustees, representatives, heirs and executors.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF the parties hereto have duly executed this Agreement as of the date first above written.

BLOCK X CAPITAL CORP.

CBIO BRAND DEVELOPMENTS INC.

"Arni Johannson"

Name: Arni Johannson

Title: President

"Lisa Little"

Name: Lisa Little

Title: President

CBIO SHAREHOLDERS

[Redacted – Personal Information.]

SCHEDULE "A"

TO THE SHARE EXCHANGE AGREEMENT

LIST OF HOLDERS OF CBIO SHARES

[Redacted – Personal Information.]