

## SECURITIES EXCHANGE AGREEMENT

**THIS AGREEMENT** is made effective as of the 31st day of January, 2022.

AMONG:

**MOUNT DAKOTA ENERGY CORP.**, a company incorporated under the laws of British Columbia and having an office at 363 West 6th Avenue, Vancouver, British Columbia, V5Y 1L1

(the “**Issuer**”)

AND:

**HYTN BEVERAGE CORP.**, a company incorporated under the laws of British Columbia and having an office at 12 East 4th Ave, Vancouver, British Columbia, V5T 1E8

(“**PrivCo**”)

AND:

**THE HOLDERS OF PRIVCO SECURITIES**, who have executed Schedule B to this Agreement and who are therefore made a party to this Agreement

(herein individually referred to as a “**PrivCo Securityholder**” and collectively as “**PrivCo Securityholders**”)

**WHEREAS:**

- A. The Issuer is a company the common shares of which are listed on the TSXV;
- B. The PrivCo Securityholders are the beneficial and legal owners of all of the issued and outstanding PrivCo Securities;
- C. PrivCo and the Issuer entered into a binding letter of intent dated July 12, 2021 (the “**LOI**”) pursuant to which the parties agreed to enter into a definitive agreement to replace and supersede the LOI; and
- D. The Issuer wishes to purchase and acquire all of the issued and outstanding PrivCo Securities from the PrivCo Securityholders in exchange for the Issuer Consideration Securities, upon and subject to the terms and conditions set forth in this Agreement and the parties wish to replace and supersede the LOI with 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, including the recitals and any schedules hereto, unless otherwise stated or unless there is something in the subject matter or context inconsistent therewith:

- (a) “**Acquisition**” means the acquisition of the PrivCo Securities by the Issuer in exchange for the Issuer Consideration Securities, upon and subject to the terms and conditions of this Agreement;
- (b) “**Agreement**” means this agreement and includes any agreement amending this agreement or any agreement or instrument which is supplemental or ancillary thereof, and the expressions “above”, “below”, “herein”, “hereto”, “hereof” and similar expressions refer to this agreement;
- (c) “**Agreement to be Bound**” means an acknowledgement in the form of Schedule C executed by each Person who becomes a PrivCo Securityholder subsequent to the Effective Date to confirm their acceptance and agreement to be bound by the provisions of this Agreement as specified in Section 2.9.
- (d) “**Applicable Law**” means, with respect to any Person, all applicable rules, policies, notices, orders and legislation of any kind whatsoever of any Governmental Authority, regulatory body or stock exchange, including any requirements under the Cannabis Act;
- (e) “**BCBCA**” means the *Business Corporations Act* (British Columbia), as amended and restated from time to time;
- (a) “**Business**” means the business presently carried on by the Issuer or PrivCo, as the case may be, as a going concern and the intangible goodwill associated therewith and any and all interests of whatsoever kind and nature related thereto;
- (f) “**Business Day**” means any day except Saturday, Sunday or a statutory holiday in Vancouver, British Columbia;
- (g) “**Cannabis Act**” means the *Cannabis Act* (Canada) and any regulations thereunder (including the *Cannabis Regulations*), and any successor or replacement regulations, as may be amended from time to time and includes all notices, guidance, guidelines and ancillary rules or regulations promulgated thereunder;
- (h) “**Cannabis Licenses**” means, collectively, license number LIC-8YNO80ULJ0-2021 and license number LIC-OO6BFAVH3G-2021 issued to SubCo under the Cannabis Act;
- (i) “**Cause**” means the occurrence of any one or more of the following events: (i) conduct by an individual constituting a material act of willful misconduct in connection with the performance of the individual’s duties to the Resulting Issuer, including, without limitation, misappropriation of funds or property of the Resulting Issuer or any of its subsidiaries or affiliates other than the occasional, customary and de minimis use of Resulting Issuer property for personal purposes; (ii) the commission by the individual of any crime involving moral turpitude, deceit, dishonesty or fraud; (iii) willful and deliberate material non-performance by the individual of his duties to the Resulting Issuer (other than by reason of the individual’s physical or mental illness, incapacity or disability) which has continued for more than 30 days following written notice of such non-performance from the Resulting Issuer. For purposes of clauses (i) or (ii) hereof, no act, or failure to act, of an individual part shall be deemed “willful” unless done, or omitted to be done, by the individual without reasonable belief that the individual’s act or failure to act, was in the best interest of the Resulting Issuer and its subsidiaries and affiliates.
- (j) “**Closing**” means the completion of the Transaction on the Closing Date pursuant to the terms and conditions contained in this Agreement;

- (k) “**Closing Date**” means such date upon which the Issuer and PrivCo mutually agree;
- (l) “**CSE**” means the Canadian Securities Exchange;
- (m) “**Documents**” means all contracts, agreements, documents, permits, licenses, certificates, plans, drawings, specifications, reports, compilations, analysis, studies, financial statements, budgets, market surveys, minute books, corporate records, corporate seals and any other documents or information of whatsoever nature relating to the Issuer or PrivCo, as the case may be, and any all rights in relation thereto;
- (n) “**Effective Date**” means the date of this Agreement;
- (o) “**Encumbrance**” means, whether or not registered or registrable or recorded or recordable, and regardless of how created or arising:
  - (i) a mortgage, assignment of rent, lien, encumbrance, adverse claim, charge, restriction, title defect, security interest, hypothec or pledge, whether fixed or floating, against assets or property (whether real, personal, mixed, tangible or intangible), hire purchase agreement, conditional sales contract, title retention agreement, equipment trust or financing lease, and a subordination to any right or claim of others in respect thereof;
  - (ii) a claim, interest, or estate against or in assets or property (whether real, personal, mixed, tangible or intangible), including, without limitation, an easement, right-of-way, servitude or other similar right in property granted to or reserved or taken by any Person;
  - (iii) an option or other right to acquire any interest in, any assets or property (whether real, personal, mixed, tangible or intangible);
  - (iv) a lien or charge for taxes, assessments, duties, fees, premiums, imposts, levies and other charges imposed by any lawful authority;
  - (v) any other encumbrance of whatsoever nature and kind against assets or property (whether real, personal, mixed, tangible or intangible); or
  - (vi) any agreement to create, or right capable of becoming, any of the foregoing;
- (p) “**Environmental Laws**” means all applicable federal, provincial, state, local and foreign laws, imposing liability or standards of conduct for, or relating to, the regulation of activities, materials, substances or wastes in connection with, or for, the protection of human health, safety, the environmental or natural resources (including ambient air, surface water, groundwater, wetlands, land surface or subsurface strata, wildlife, aquatic species and vegetation);
- (q) “**FundCo**” means 1306562 B.C. Ltd.;
- (r) “**FundCo Agreement**” means the amalgamation agreement among the Issuer, MergerCo and FundCo, pursuant to which the Issuer will acquire 100% of the issued and outstanding securities of FundCo, comprised of 38,968,920 common shares of FundCo, in consideration of up to 38,968,920 Issuer Shares, by way of a three-cornered amalgamation under the BCBCA;

- (s) **“generally accepted accounting principles”** means the generally accepted accounting principles from time to time approved by the Canadian Institute of Chartered Accountants, or any successor institute, applicable as at the date on which date such calculation is made or required to be made in accordance with generally accepted accounting principles applied on a basis consistent with preceding years;
- (t) **“Governmental Authority”** means any government or governmental, administrative, regulatory or judicial body, department, commission, authority, tribunal, agency or entity;
- (u) **“Intellectual Property”** means all right, title and interest and benefit of PrivCo or the Issuer, as the case may be, in and to intellectual property of every nature, whether registered or unregistered, including, without limitation, all copyrights, patents, patent rights, trade marks, applications for any of the foregoing, trade names, service marks, and other trade rights, license agreements, marketing rights, trade secrets, and know-how, specifications, prototypes, designs, records, drawings, and calculations, licenses, sub-licenses, other intellectual or industrial property and all other proprietary rights or interests, together with all antecedent derivative works, of or pertaining to the PrivCo or Issuer Business, as the case may be;
- (v) **“Issuer Annual Statements”** means the audited financial statements of the Issuer for the year ended January 31, 2021, as and when filed on SEDAR with the applicable Canadian securities regulators;
- (w) **“Issuer Consideration Securities”** means the 15,532,000 Issuer Shares and 2,532,000 Issuer Warrants to be issued by the Issuer to the PrivCo Securityholders in exchange for the PrivCo Shares and PrivCo Warrants and the 10,000,000 Issuer Performance Warrants to be issued to Jason Broome and Elliot McKerr at the Closing pursuant to the terms and conditions of this Agreement;
- (x) **“Issuer Consideration Shares”** means the 15,532,000 Issuer Shares to be issued by the Issuer to the PrivCo Securityholders in exchange for the PrivCo Shares, at the Closing pursuant to the terms and conditions of this Agreement;
- (y) **“Issuer Consideration Warrants”** means, if applicable, the 2,532,000 share purchase warrants issuable in consideration of the exchange and subsequent cancellation of the PrivCo Warrants, each entitling the holder to acquire one Issuer Share at a price of \$0.50 until February 1, 2023;
- (z) **“Issuer Disclosure Record”** means the Issuer’s financial statements, management information circulars, material change reports, technical reports, press releases and all documents filed publicly by the Issuer on SEDAR;
- (aa) **“Issuer Interim Statements”** means the unaudited financial statements of the Issuer for the period ended April 30, 2021, as filed on SEDAR with the applicable Canadian securities regulators;
- (bb) **“Issuer Performance Warrants”** means the 10,000,000 performance warrants of the Issuer to be issued to Jason Broome and Elliot McKerr on Closing, each entitling the holder to acquire one (1) Issuer Share for no additional consideration, all in accordance with the terms of the Issuer Performance Warrant Certificates. Issuer Performance Warrants will have an expiry date of 5 years from issuance and will vest upon achievement of the following performance milestones by the Issuer:

- (i) 50% of the Issuer Performance Warrants to vest upon the Issuer achieving \$5,000,000 in revenues over a twelve-month (12) period following Closing; and
- (ii) 50% of the Issuer Performance Warrants to vest upon the Issuer achieving \$8,000,000 in revenues over a twelve-month (12) period following Closing,

provided that, upon termination of the holder's service with the Issuer resulting from a voluntary termination by the holder or the holder's termination for Cause by the Resulting Issuer, any Issuer Performance Warrants held by such holder shall immediately terminate and cease to be exercisable;

- (cc) **"Issuer Performance Warrant Certificates"** means the certificates evidencing the Issuer Performance Warrants, in such form as shall be agreed upon by the Parties, acting reasonably, in advance of Closing;
- (dd) **"Issuer Shares"** means the common shares in the capital of the Issuer, of which 2,666,255 are outstanding as of the date hereof;
- (ee) **"Material Adverse Change"** means any change (or any condition, event or development involving a prospective change) in the business, operations, results of operations, assets, capitalization, financial condition, licences, permits, concessions, rights, liabilities, prospects or privileges, whether contractual or otherwise, of the party referred to which is, or would reasonably be expected to be, materially adverse to the business of such party other than a change: (i) which has prior to the date hereof been publicly disclosed or otherwise disclosed in writing to the other party; or (ii) resulting from general economic, financial, currency exchange, securities or commodity market conditions in Canada or elsewhere;
- (ff) **"MergerCo"** means MMO Merger Holdings Inc.;
- (gg) **"Name Change"** means the change of the Issuer's name to "HYTN Innovations Inc.", or such other name as may be determined by the Issuer and PrivCo;
- (hh) **"Permits"** means all licenses, permits and similar rights and privileges that are required and necessary under applicable legislation, regulations, rules and orders for the Issuer or PrivCo, as the case may be, to own and operate their assets and Business or for the status and qualification of the Issuer or PrivCo, as the case may be, to own and operate their assets and to carry on their Business;
- (ii) **"Person"** means an individual, company, corporation, body corporate, partnership, joint venture, society, association, trust or unincorporated organization, or any trustee, executor, administrator, or other legal representative;
- (jj) **"PrivCo Financial Statements"** means the financial statements of PrivCo for the year ended September 30, 2021;
- (kk) **"PrivCo Securities"** means the PrivCo Shares and, as applicable, the PrivCo Warrants;
- (ll) **"PrivCo Securityholders"** means the Persons who will, at Closing, beneficially and legally own the PrivCo Shares and/or PrivCo Warrants (as applicable), as set forth and described in Schedule A to this Agreement;
- (mm) **"PrivCo Shareholders Pooling Agreement"** has the meaning ascribed thereto in Section 2.7(e);

- (nn) **“PrivCo Shares”** means the common shares in the capital of PrivCo, 15,532,000 of which are issued and outstanding as at the date hereof;
- (oo) **“PrivCo Warrants”** means the common share purchase warrants of PrivCo, each entitling the holder to acquire one PrivCo Share at a price of \$0.50 until February 1, 2023;
- (pp) **“Regulatory Approval”** means any required TSXV and/or CSE approval of the Transaction;
- (qq) **“Resulting Issuer”** means the Issuer upon completion of the Transaction, having PrivCo as a wholly-owned subsidiary thereof;
- (rr) **“Resulting Issuer Shares”** means the common shares in the capital of the Resulting Issuer;
- (ss) **“Securities Act”** means the *Securities Act* (British Columbia), as amended and restated from time to time;
- (tt) **“SEDAR”** means the System for Electronic Document Analysis and Retrieval developed by the Canadian Securities Administrators;
- (uu) **“SubCo”** means HYTN Cannabis Inc. (formerly, 1261955 B.C. Ltd.), a corporation incorporated under the BCBCA;
- (vv) **“SubCo Acquisition”** means the acquisition by PrivCo of 100% of the issued and outstanding securities of SubCo;
- (ww) **“Tax Act”** means the *Income Tax Act* (Canada), as amended and restated from time to time;
- (xx) **“Time of Closing”** means 11:00 a.m. (Vancouver, B.C. local time) on the Closing Date or such other time upon which the Issuer and PrivCo mutually agree;
- (yy) **“Transaction”** means the Acquisition and the Name Change; and
- (zz) **“TSXV”** means the TSX Venture Exchange.

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

Schedule A – Name, Address, and PrivCo Shares and/or PrivCo Warrants held by each of the PrivCo Securityholders

Schedule B – Signature pages of the PrivCo Securityholders

Schedule C – Acknowledgement and Agreement to be Bound

1.3 **Schedule References** – Wherever any provision of any schedule to this Agreement conflicts with any provision in the body of this Agreement, the provisions of the body of this Agreement shall prevail. References herein to a schedule shall mean a reference to a schedule to this Agreement. References in any schedule to this Agreement shall mean a reference to this Agreement. References to any schedule to another schedule shall mean a reference to a schedule to this Agreement.

1.4 **Headings** - The headings in this Agreement are for reference only and do not constitute terms of this Agreement.

1.5 **Interpretation** - Whenever the singular or masculine is used in this Agreement the same shall be deemed to include the plural or the feminine or the body corporate as the context may require. As used in

this Agreement, “or” is not exclusive and “including” is not limiting, whether or not non-limiting language (such as “without limitation”) is used with reference to it.

1.6 **Currency** – Unless otherwise stated, all references to money in this Agreement shall be deemed to be references to the currency of Canada.

1.7 **Knowledge** – Where a representation or warranty is made in this Agreement on the basis of the knowledge or the awareness of the party, such knowledge or awareness consists only of the actual knowledge or awareness after due investigation, as of the date of this Agreement, of that party, if an individual or of the directors and senior executive officers of that party if it is a corporation or a similar entity, but does not include the knowledge or awareness of any other individual or any constructive, implied or imputed third party knowledge.

## 2. PURCHASE AND SALE

2.1 **Agreement** – Upon and subject to the terms and conditions of this Agreement, each PrivCo Securityholder hereby agrees, to the extent applicable to it to sell, transfer and convey to the Issuer, and the Issuer agrees to purchase, all and no less than all of:

- (a) the PrivCo Shares owned by such PrivCo Securityholder as set forth and described in Schedule A, at the Time of Closing in consideration of the issuance of the Issuer Consideration Shares on the basis of one (1) Issuer Consideration Share for each one (1) PrivCo Share held; and
- (b) the PrivCo Warrants, if any, owned by such PrivCo Securityholder as set forth and described in Schedule A, at the Time of Closing in consideration for the issue by the Issuer of the Issuer Consideration Warrants on the basis of one (1) Issuer Consideration Warrant for each one (1) PrivCo Warrant held, on the terms set out herein.

2.2 **Issuer Consideration Shares** – Upon and subject to the terms and conditions of this Agreement, each PrivCo Securityholder acknowledges and agrees that the Issuer Consideration Shares shall be issued in exchange for the PrivCo Shares on a one for one basis as set forth and described in Schedule A;

2.3 **Issuer Consideration Warrants** – The Issuer Consideration Warrants will consist of up to 2,532,000 share purchase warrants in the capital of the Issuer, exercisable at a price of \$0.50 until February 1, 2023 in exchange for the PrivCo Warrants on a one for one basis as set forth and described in Schedule A.

2.4 **Performance Warrants** – Upon and subject to the terms and conditions of this Agreement, the Issuer agrees to issue, on Closing, the Issuer Performance Warrants to (i) Jason Broome, in respect of 5,000,000 Issuer Performance Warrants, and (ii) Elliot McKerr, in respect of 5,000,000 Issuer Performance Warrants.

2.5 **Purchase of Entire Interest** – It is the understanding of the parties hereto that this Agreement provides for the purchase of all of the PrivCo Securities that are owned or held by the PrivCo Securityholders at the Time of Closing, whether same are owned as at the date hereof or to be acquired after the date hereof and prior to the Time of Closing, and the PrivCo Securityholders therefore covenant and agree with the Issuer that, if prior to the Time of Closing, they acquire any further shares or securities of PrivCo or rights to acquire any shares or securities of PrivCo, in addition to those set forth in this Agreement, then such shares or securities of PrivCo shall be subject to the terms of this Agreement, and shares or securities of PrivCo shall be delivered or such rights shall be transferred to the Issuer at the Time of Closing, without the payment of any additional or further consideration.

2.6 **Delivery of Shares and Warrants** – Subject to the fulfilment of all of the terms and conditions hereof (unless waived as herein provided), at the Time of Closing, the PrivCo Securityholders shall be deemed to have delivered to the Issuer certificates or equivalents representing the PrivCo Shares and PrivCo Warrants to the Issuer and the PrivCo Securityholders acknowledge that, without further action required, such PrivCo Shares and PrivCo Warrants shall be cancelled upon completion of the Acquisition, in accordance with Article 11 hereof.

2.7 **Acknowledgements** – Each PrivCo Securityholder hereby acknowledges and agrees with the Issuer as follows:

- (a) the transfer of the PrivCo Securities to the Issuer, and the issuance of the Issuer Consideration Securities to the PrivCo Securityholders will be made pursuant to appropriate exemptions (the “**Exemptions**”) from the formal takeover bid and registration and prospectus (or equivalent) requirements of applicable securities laws;
- (b) as a consequence of acquiring the Issuer Consideration Securities pursuant to the Exemptions:
  - (i) the Issuer is relying on an exemption from the requirements to provide the PrivCo Securityholders with a prospectus and to sell securities through a Person registered to sell securities under the Securities Act and, as a consequence of acquiring securities pursuant to this exemption, certain protections, rights and remedies provided by the Securities Act, including statutory rights of rescission or damages, will not be available to the PrivCo Securityholders;
  - (ii) the PrivCo Securityholders may not receive information that might otherwise be required to be provided to the PrivCo Securityholders, and the Issuer is relieved from certain obligations that would otherwise apply under the Securities Act if the Exemptions were not being relied upon by the Issuer;
  - (iii) there is no government or other insurance covering the Issuer Consideration Securities;
  - (iv) there are risks associated with the acquisition of the Issuer Consideration Securities and any Issuer Shares issuable upon conversion or exchange thereof;
  - (v) there are restrictions on the PrivCo Securityholders’ ability to resell the Issuer Consideration Securities and it is the responsibility of each PrivCo Securityholder to find out what those restrictions are and to comply with them before selling the Issuer Consideration Securities; and
  - (vi) no securities commission, stock exchange or similar regulatory authority has reviewed or passed on the merits of an investment in the Issuer Consideration Securities or any Issuer Shares issuable upon conversion or exchange of the Issuer Consideration Securities;
- (c) the PrivCo Securityholder is knowledgeable of, or has been independently advised as to, the Applicable Law of that jurisdiction which applies to the sale of the PrivCo Securities and the issuance of the Issuer Consideration Securities and which may impose restrictions on the resale of such Issuer Consideration Securities or any Issuer Shares issuable upon conversion or exchange of the Issuer Consideration Securities in that jurisdiction and it is the responsibility of each PrivCo Securityholder to become aware of what those trade restrictions are, and to comply with them before selling the Issuer Consideration Securities



or any Issuer Shares issuable upon conversion or exchange of the Issuer Consideration Securities;

- (d) the Issuer Consideration Securities may be subject to certain resale restrictions under Applicable Law, and the PrivCo Securityholders agree to comply with such restrictions and the PrivCo Securityholders also acknowledge that the certificates for the Issuer Consideration Securities and any Issuer Shares issuable upon conversion or exchange of the Issuer Consideration Securities may bear an applicable legend or legends respecting restrictions on transfers as required under Applicable Law (or legend notation on each applicable Issuer Consideration Security issued electronically in a direct registration system), and that each PrivCo Securityholder has been advised to consult its own legal advisor with respect to applicable resale restrictions and that each is solely responsible for complying with such restrictions; and
- (e) the Issuer Consideration Shares issuable pursuant to Section 2.2 shall be subject to the following contractual escrow periods, to be evidenced by a voluntary pooling agreement to be entered into between the Issuer and the holders of such Issuer Consideration Shares on Closing (the “**PrivCo Shareholders Pooling Agreement**”):
  - (i) in respect of all Issuer Consideration Shares issued in exchange for the 2,532,000 PrivCo Shares issued on February 1, 2021, an 18-month contractual escrow period commencing on the date of Closing, with 25% being released from escrow on Closing and a further 25% being released from escrow every six (6) months after Closing; and
  - (ii) in respect of all Issuer Consideration Shares issued in exchange for the remaining 13,000,000 PrivCo Shares, a 36-month contractual escrow period commencing on the date of Closing, with 10% being released from escrow six (6) months after Closing and a further 15% being released from escrow every six (6) months thereafter.

## 2.8 Tax Election

- (a) The Issuer will jointly elect with any PrivCo Securityholder holding PrivCo Shares (the “**PrivCo Shareholders**”), if such PrivCo Shareholder is eligible to make such an election, and request the Issuer to make such an election, in accordance with the provisions of this Section 2.8 (the “**Electing Shareholder**”), to have the provisions of subsection 85(1) of the Tax Act apply to the transfer of the PrivCo Shares by the Electing Shareholder to the Issuer in consideration for the issuance of the respective Issuer Consideration Shares contemplated by this Agreement. In order to make an election under subsection 85(1) of the Tax Act, the Electing Shareholder must provide to the Issuer, at the address set out in this Agreement within 90 days following the Closing Date, two signed copies of Canada Revenue Agency Form T2057 duly completed with the details of the respective number of PrivCo Shares transferred by the Electing Shareholder and the applicable elected amount(s) for the purposes of the election. The elected amount specified in the election form must be an amount that is not less than the cost amount to the Electing Shareholder at the Closing Date of the PrivCo Shares transferred by the Electing Shareholder, and not greater than the fair market value at the Closing Date of the PrivCo Shares transferred by the Electing Shareholder.
- (b) The Electing Shareholder shall send the completed and signed election forms to the Issuer and notify the Issuer whether it wishes to file the election form or whether it appoints the Issuer to file the election form on its behalf. Subject to Section 2.8(c), upon receipt of the signed election forms from an Electing Shareholder, the Issuer shall:

- (i) if the Electing Shareholder has notified the Issuer that it wishes to file the election form, sign the election form and shall deliver one copy back to the Electing Shareholder by mail within 10 days, upon receipt of which the Electing Shareholder shall file the completed and signed election form within the time period designated for doing so pursuant to the Tax Act and thereafter promptly deliver a copy of the filed election form to the Issuer; or
  - (ii) if the Electing Shareholder has notified the Issuer that it appoints the Issuer to file the election form on its behalf, sign the election form and file the completed and signed election form within the time period designated for doing so pursuant to the Tax Act.
- (c) If the Issuer receives an election form that the Issuer determines is not completed, is incorrectly completed, or if the PrivCo Shareholders are not eligible to make an election under subsection 85(1) of the Tax Act, the Issuer will not sign the election form and shall deliver the unsigned form back to the PrivCo Shareholder by mail within 10 days with an explanation. If applicable, the PrivCo Shareholder will have the option of resubmitting the corrected election form for signature and delivery by the Issuer based on the terms above. Despite the Issuer's right to refuse to sign an election form in the foregoing circumstances, it shall be the sole responsibility of the PrivCo Shareholder to determine his/her/its respective eligibility to make the election under subsection 85(1) of the Tax Act, to complete the election form other than the signature of the Issuer, and, if the Electing Shareholder has notified the Issuer that it wishes to file the election form, to file the completed and signed election form within the time period designated for doing so pursuant to the Tax Act, and the Issuer shall not be responsible for determining eligibility of the PrivCo Shareholders to make the election, for the preparation of any election form, for verifying the accuracy of the information contained in any election form, or for filing any election form other than in circumstances where the Electing Shareholder has notified the Issuer that it appoints the Issuer to file the election form on its behalf. If an Electing Shareholder who has completed and filed an election under subsection 85(1) of the Tax Act subsequently wishes to amend the election, the Issuer covenants and agrees to complete an amended election form for that purpose based on the terms above.

2.9 **Agreement to be Bound** - Each Person who becomes a PrivCo Securityholder subsequent to the Effective Date, or acquires additional PrivCo Securities subsequent to the Effective Date must concurrently with becoming a PrivCo Securityholder or acquiring such additional PrivCo Securities execute and deliver to PrivCo an Agreement to be Bound in form and substance satisfactory to PrivCo, agreeing to be bound by this Agreement.

### 3. CHANGE IN DIRECTORS AND OFFICERS OF PRIVCO AND THE ISSUER

#### 3.1 New Director and Officers

- (a) Effective as of the Closing and subject to prior approval of the CSE, the Issuer's board of directors and management shall be reconstituted, such that the directors and officers of the Resulting Issuer will consist of:

Elliot McKerr	Director and Chief Executive Officer
Jason Broome	Director and Chief Operating Officer
Eli Dusenbery	Director
Vic Neufeld	Director
Dennis Staudt	Director
Paul More	Chief Financial Officer and Corporate Secretary

or such other persons as the Issuer and PrivCo may mutually agree.

- (b) Effective as of the Closing and subject to prior approval of the CSE, the directors and officers of PrivCo will consist of:

Elliot McKerr	Director
Jason Broome	Director

or such other persons as the Issuer and PrivCo may mutually agree.

### 4. COVENANTS AND AGREEMENTS

#### 4.1 Given by PrivCo – PrivCo covenants and agrees with the Issuer that it will:

- (a) permit representatives of the Issuer, at their own cost, reasonable access during normal business hours to their Documents including, without limitation, all of the assets, contracts, financial records and minute books of PrivCo, so as to permit the Issuer to make such investigation of PrivCo as the Issuer deems reasonably necessary;
- (b) assist in the completion of any steps required in any other jurisdictions where PrivCo holds assets, which the Issuer may deem reasonably necessary to complete the Transaction;
- (c) provide to the Issuer all such further documents, instruments and materials and do all such acts and things as may be reasonably required by the Issuer to seek the Regulatory Approval including, without limiting the foregoing, all relevant information concerning it and its business, assets, operations and financial statements for inclusion in any public disclosure document to be prepared by the Issuer in connection with the Transaction;
- (d) from and including the Effective Date through to and including the Time of Closing, preserve and protect the goodwill, assets and undertaking of PrivCo, carry on the Business

of PrivCo in the ordinary course in a reasonable and prudent manner consistent with past practice;

- (e) use its commercially reasonable efforts to obtain all required third party consents, Permits, approvals, authorizations, filings, assignments or waivers and amendments or terminations to any instrument or agreement and take such other measures as may be necessary to fulfil its obligations hereunder and to carry out the transactions contemplated by this Agreement, including obtaining any shareholder approvals, consents or agreements as may be required under applicable corporate laws, securities laws, the rules and policies of the TSXV or CSE and the constating documents of PrivCo to be able to fulfill their obligations hereunder and in connection with the delivery of all of the PrivCo Securities on Closing;
- (f) co-operate with the Issuer, in the Issuer's efforts and at the Issuer's expense, to obtain the Regulatory Approval with respect to the Transaction;
- (g) comply with the terms hereof and faithfully and expeditiously seek to satisfy the conditions precedent set out Section 6.1 and 6.2 so as to close the Transaction and all related transactions by the Closing Date;
- (h) from and including the Effective Date through to and including the Time of Closing, except as set out in this Agreement, not enter into any agreement or understanding with any other party to issue any securities of PrivCo without the prior written consent of the Issuer, not to be unreasonably withheld;
- (i) from and including the Effective Date through to and including the Time of Closing, not directly or indirectly, solicit, initiate, assist, facilitate, promote or knowingly encourage the initiation of proposals or offers from, entertain or enter into negotiations with, any Person (other than the Issuer), with respect to any amalgamation, merger, consolidation, arrangement, restructuring, sale of any material assets or part thereof of PrivCo;
- (j) make other necessary filings and applications under applicable, foreign, federal and provincial laws and regulations required on their part in connection with the transactions contemplated herein;
- (k) use its commercially reasonable efforts to conduct its affairs so that all of the representations and warranties of it contained herein shall be true and correct in all material respects on and as of the Closing Date as if made on the Closing Date, except to the extent that such representations and warranties require modification to give effect to the transactions contemplated herein;
- (l) notify the Issuer immediately upon becoming aware that any of its representations or warranties contained herein are no longer true and correct in any material respect; and
- (m) from and including the Effective Date through to and including the Time of Closing, ensure that it complies in all material respects with the foregoing covenants of this Agreement.

4.2 **Given by the Issuer** - the Issuer covenants and agrees with PrivCo and the PrivCo Securityholders that the Issuer will:

- (a) permit representatives of PrivCo and the PrivCo Securityholders reasonable access during normal business hours to the Issuer's Documents including, without limitation, all of the assets, contracts, financial records and minute books of the Issuer, so as to permit such investigation of the Issuer as PrivCo and the PrivCo Securityholders deem reasonably necessary;

- (b) take all corporate action necessary to approve and to permit the issuance of the Issuer Consideration Securities on Closing;
- (c) from and including the Effective Date through to and including the Time of Closing, preserve and protect the goodwill, assets and undertaking of the Issuer, carry on the Business of the Issuer in the ordinary course in a reasonable and prudent manner consistent with past practice;
- (d) use its commercially reasonable efforts to obtain, in a timely manner, the Regulatory Approval for the transactions contemplated hereunder,
- (e) use its commercially reasonable efforts to obtain conditional approval, subject to compliance with the usual requirements of the CSE, for the listing of the Resulting Issuer Shares on the CSE on or before the Closing;
- (f) use its commercially reasonable efforts to effect the delisting of the Issuer Shares from the TSXV on or before the Closing;
- (g) use its commercially reasonable efforts to effect the Name Change on or before Closing;
- (h) from and including the Effective Date through to and including the Time of Closing, not issue any securities and not enter into any agreement or understanding with any third party to issue any securities, other than pursuant to the FundCo Agreement, without the prior written consent of PrivCo, not to be unreasonably withheld;
- (i) from and including the Effective Date through to and including the Time of Closing, not directly or indirectly, solicit, initiate, assist, facilitate, promote or knowingly encourage the initiation of proposals or offers from, entertain or enter into negotiations with, any Person (other than FundCo, the securityholders of FundCo, PrivCo and the PrivCo Securityholders), with respect to any amalgamation, merger, consolidation, arrangement, restructuring, sale of any material assets or part thereof of it;
- (j) comply with the terms hereof and faithfully and expeditiously seek to satisfy the conditions precedent set out in Sections 6.1 and 6.3 and to close the Transaction and related transactions by the Closing Date;
- (k) use its commercially reasonable efforts to conduct its affairs so that the representations and warranties of the Issuer contained herein shall be true and correct in all material respects on and as of the Closing Date as if made on the Closing Date, except to the extent that such representations and warranties require modification to give effect to the transactions contemplated herein;
- (l) from and including the Effective Date through to and including the Time of Closing, ensure that the Issuer remains in good standing under Applicable Law;
- (m) obtain all consents, approvals, Permits, authorizations or filings as may be required under applicable corporate laws, securities laws, the rules and policies of the TSXV and/or CSE and the constating documents of the Issuer for the performance by the Issuer of its obligations under this Agreement prior to the Closing;
- (n) notify PrivCo immediately upon becoming aware that any of the representations or warranties of it contained herein are no longer true and correct in any material respect; and

- (o) from and including the Effective Date through to and including the Time of Closing, ensure that the Issuer complies in all material respects with the foregoing covenants of this Agreement.

## 5. TRANSACTION EXPENSES

Each of the parties to this Agreement will bear all costs and expenses incurred by such party in negotiating and preparing this Agreement and in Closing and carrying out the transactions contemplated by this Agreement. All costs and expenses related to satisfying any condition or fulfilling any covenant contain in this Agreement will be borne by the party whose responsibility it is to satisfy the outstanding condition or fulfill the covenant in question.

## 6. CONDITIONS PRECEDENT

6.1 **In Favour of all Parties** - The obligations of all parties under this Agreement are subject to the fulfillment of the following conditions prior to the Time of Closing or such other time as herein provided:

- (a) approval of the directors of the Issuer of the Transaction;
- (b) approval of the directors of PrivCo of the Acquisition;
- (c) if required by the TSXV, the approval of the shareholders of the Issuer for the delisting of the Issuer Shares from the TSXV;
- (d) conditional approval, subject to compliance with the usual requirements of the CSE, for the listing of the Resulting Issuer Shares on the CSE;
- (e) approval of the shareholders of PrivCo of the Acquisition, if required;
- (f) there shall not be in force any order or decree restraining or enjoining the consummation of the transactions contemplated by this Agreement, including, without limitation, the Transaction and Name Change;
- (g) there being no prohibition at law against closing of the Transaction;
- (h) completion of the transactions contemplated by the FundCo Agreement;
- (i) completion of the SubCo Acquisition;
- (j) all consents, orders and approvals required for the completion of the Transaction and transactions ancillary thereto shall have been obtained or received from the Persons, authorities or bodies having jurisdiction in the circumstances, all on terms satisfactory to all of the parties hereto, acting reasonably, including without limitation the receipt of the Regulatory Approval; and
- (k) each of the PrivCo Securityholders receiving Issuer Consideration Shares will have entered into the PrivCo Shareholders Pooling Agreement with the Issuer;
- (l) this Agreement shall have not been terminated in accordance with Article 10 of this Agreement.

The conditions precedent set forth above are for the benefit of all parties and may only be waived in writing by the Issuer and PrivCo for itself, and on behalf of the PrivCo Securityholders, in whole or in part on or before the Time of Closing.

6.2 **In Favour of the Issuer** – the Issuer’s obligations under this Agreement are subject to the fulfilment of the following conditions prior to Time of Closing or such other time as herein provided:

- (a) the PrivCo Securityholders and PrivCo shall have materially complied with all of their respective covenants and agreements contained in this Agreement;
- (b) the representations and warranties of the PrivCo Securityholders and PrivCo contained in this Agreement shall be true and correct in all material respects as if such representations and warranties had been made by each of the PrivCo Securityholders and PrivCo as of the Time of Closing;
- (c) the Issuer will have determined in its sole judgment, acting reasonably, that no Material Adverse Change in the condition of PrivCo, during the time between the Effective Date and the Time of Closing, has occurred;
- (d) there being no legal proceeding or regulatory actions or proceedings against PrivCo at the Time of Closing which may, if determined against the interest of PrivCo, cause a Material Adverse Change to PrivCo; and
- (e) all corporate and other proceedings in connection with the transactions contemplated at the Closing and all documents incidental thereto and other documents in connection with the purchase and sale hereunder (including documents to be delivered pursuant to Section 8.2) will be completed and satisfactory in form and substance to the Issuer’s counsel, acting reasonably, and the Issuer will have received all executed counterpart original and certified or other copies of such documents as such counsel may reasonably request.

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

6.3 **In Favour of PrivCo and the PrivCo Securityholders** – The respective obligations of PrivCo and the PrivCo Securityholders under this Agreement are subject to the fulfilment of the following conditions:

- (a) the Issuer shall have materially complied with all of its covenants and agreements hereunder to be performed and complied with on or before the Time of Closing;
- (b) the representations and warranties of the Issuer contained in this Agreement shall be true and correct in all material respects as if such representations and warranties had been made by the Issuer as of the Time of Closing;
- (c) all documents and steps necessary, in the view of counsel to PrivCo, acting reasonably, to complete the issuance of the Issuer Consideration Securities to the PrivCo Securityholders in accordance with this Agreement and the Transaction shall have been delivered and completed at Closing;
- (d) the completion of the Transaction is in compliance in all material respects with all laws, policies, rules and regulations applicable thereto; and
- (e) all corporate and other proceedings in connection with the transactions contemplated at the Closing and all documents incidental thereto and other documents in connection with the purchase and sale hereunder (including documents to be delivered pursuant to Section 8.3), will be completed and satisfactory in form and substance to PrivCo’s counsel, acting reasonably, and they will have received all executed counterpart original and certified or other copies of such documents as such counsel may reasonably request.

The conditions precedent set forth above are for the exclusive benefit of the PrivCo and the PrivCo Securityholders and may be waived by PrivCo for itself, and on behalf of the PrivCo Securityholders, in whole or in part on or before the Time of Closing.

## 7. REPRESENTATIONS AND WARRANTIES

7.1 **Concerning the Issuer** - In order to induce PrivCo and the PrivCo Securityholders to enter into this Agreement and complete their respective obligations hereunder, the Issuer represents and warrants to PrivCo and the PrivCo Securityholders that:

- (a) the Issuer is a valid and subsisting corporation incorporated under the laws of British Columbia;
- (b) the Issuer is a “reporting issuer” in British Columbia and Alberta as that term is defined in the Securities Act, is not in material default of any requirement of the Securities Act and is not noted as being a “defaulting reporting issuer” (or any analogous terms) in any such jurisdiction;
- (c) the Issuer will have, at the Time of Closing, full corporate power and authority to enter into this Agreement and complete the Transaction and related transactions and to carry out its obligations hereunder and this Agreement, the Name Change and the Acquisition will have been, prior to the Time of Closing, authorized by all necessary shareholder (if necessary) and corporate action on the part of the Issuer. This Agreement has been duly executed and delivered by the Issuer and constitutes a legal, valid and binding obligation of the Issuer enforceable against the Issuer in accordance with its terms, subject to the qualification that such enforceability may be limited by bankruptcy, insolvency, reorganization or other laws of general application relating to or affecting rights of creditors and that equitable remedies, including specific performance, are discretionary and may not be ordered;
- (d) as of the date hereof, the authorized capital of the Issuer consists of an unlimited number of common shares, of which 2,666,255 Issuer Shares are issued and outstanding as fully paid and non-assessable. No Person has any right, agreement or option, present or future, contingent or absolute, or any right capable of becoming such a right, agreement or option, for the issue or allotment of any unissued shares in the capital of the Issuer or any other security convertible into or exchangeable for any such shares, or to require the Issuer to purchase, redeem or otherwise acquire any of the issued and outstanding shares in its capital;
- (e) there are no securities of the Issuer outstanding, other than the Issuer Shares, which have the right to vote generally, or are convertible into or exchangeable for securities having the right to vote generally (as applicable), with the holders of Issuer Shares on any matter. There are no outstanding contractual or other obligations of Issuer to repurchase, redeem or otherwise acquire any of the Issuer’s securities. There are no outstanding bonds, debentures or other evidences of indebtedness of the Issuer having the right to vote with the holders of the outstanding Issuer Shares on any matters;
- (f) the Issuer Disclosure Record does not contain any misrepresentations (as such term is defined in the Securities Act) and does not omit to state a material fact (as such term is defined in the Securities Act) which, at the date thereof, was required to have been stated or was necessary to prevent a statement that was made from being false or misleading in the circumstances in which it was made;
- (g) all financial statements filed in the Issuer Disclosure Record, including the Issuer Interim Statements and the Issuer Annual Statements, have been prepared in accordance with



International Financial Reporting Standards, and present fairly in all material respects the financial position and all material liabilities (accrued, absolute, contingent or otherwise) of the Issuer, as of the date thereof, and there has been no Material Adverse Change in the financial position of the Issuer since the date of the Issuer Interim Statements and the business of the Issuer has been carried on in the usual and ordinary course consistent with past practice since the date thereof;

- (h) the auditors of the Issuer, Davidson & Company LLP, are independent chartered professional accountants as required under applicable legislation;
- (i) the Issuer has complied fully in all material respects with the requirements of all applicable corporate and securities laws and administrative policies and directions, including, without limitation, the Securities Acts, in relation to the issue of its securities;
- (j) the Issuer is not a party to any actions, suits or proceedings which could materially affect its financial condition, and to the best of the Issuer's knowledge, no such actions, suits or proceedings are contemplated or, to the best of the Issuer's knowledge, have been threatened;
- (k) there are no judgments against the Issuer which are unsatisfied, nor are there any consent decrees or injunctions to which the Issuer is subject;
- (l) other than the anticipated cessation of trading in connection with the Transaction, no order ceasing, halting or suspending trading in securities of the Issuer nor prohibiting the sale of such securities has been issued to and is outstanding against the Issuer; and no investigations or proceedings for such purposes are pending or threatened;
- (m) the Issuer has filed all federal, provincial, local and foreign tax returns which are required to be filed, or has requested extensions thereof, and has paid all taxes required to be paid by it and any other assessment, fine or penalty levied against it, or any amounts due and payable to any Governmental Authority, to the extent that any of the foregoing is due and payable;
- (n) there are no liens for taxes on the assets of the Issuer, except for taxes not yet due, and there are no audits of any of the tax returns of the Issuer, and there are no claims which have been or may be asserted relating to any such tax returns;
- (o) the Issuer does not have any loans or other indebtedness outstanding which has been made to any of its shareholders, officers, directors or employees, past or present, or any Person with which it does not deal at "arm's length" (as such term is used in the Tax Act), except as may be publicly disclosed in the Issuer Disclosure Record;
- (p) the Issuer does not have any material outstanding indebtedness or liabilities and is not party to or bound by any suretyship, guarantee, indemnification or assumption agreement, or endorsement of, or any other similar commitment with respect to the obligations, liabilities or indebtedness of any Person that are material to the Issuer, other than those specifically identified in the Issuer Interim Statements, and if applicable the Issuer Annual Statements, and as may be publicly disclosed in the Issuer Disclosure Record, or incurred in the ordinary course of business since the date of the Issuer Interim Statements;
- (q) the Issuer has and will have by Closing, or as soon as practicable thereafter, filed all documents that are required to be filed under the continuous disclosure provisions of the Securities Act, including annual and interim financial information, press releases disclosing material changes and material change reports;

- (r) the execution and delivery of this Agreement by the Issuer and the performance of its obligations under this Agreement will not:
  - (i) conflict with, or result in the breach or the acceleration of any indebtedness under, or constitute default under the constating documents of the Issuer, or any indenture, mortgage, agreement, lease, licence, contract, permit or other instrument of any kind whatsoever to which the Issuer is a party or by which it is bound, or any judgment or order of any kind whatsoever of any court or administrative body of any kind whatsoever by which the Issuer is bound;
  - (ii) result in the violation of any law, ordinance, statute, regulation, by-law, order or decree of any kind whatsoever by the Issuer; or
  - (iii) violate the constating documents of the Issuer, or any resolutions of the directors or shareholders of the Issuer;
- (s) the financial books, records and accounts of the Issuer have in all material respects, been maintained in accordance with Applicable Law, in accordance with applicable accounting standards and, in each case, are stated in reasonable detail and accurately and fairly reflect the material transactions and dispositions of the assets of the Issuer and accurately and fairly reflect the basis for all financial statements filed in the Issuer Disclosure Record, including the Issuer Interim Statements, and if applicable the Issuer Annual Statements;
- (t) except as disclosed in the Issuer Disclosure Record, there are no material claims, actions, suits, grievances, complaints or proceedings pending or, to the knowledge of the Issuer, threatened affecting the Issuer or affecting its property or assets at law or in equity before or by any Governmental Authority, including matters arising under Environmental Laws. Neither the Issuer nor its assets or properties is subject to any outstanding material judgment, order, writ, injunction or decree;
- (u) to the knowledge of the Issuer, the Issuer has in all material respects complied with and is not in violation of any Applicable Laws;
- (v) to the best of the Issuer's knowledge, the Issuer does not have, and has not at any time had, any employees; and
- (w) upon their issuance, the Issuer Consideration Securities will be validly issued and outstanding as fully paid and non-assessable securities of the Issuer registered in accordance with the instructions provided by each PrivCo Securityholder on its respective execution page hereof, free and clear of all liens, charges, escrow conditions or Encumbrances of any kind whatsoever other than those imposed by applicable securities laws under the Securities Acts, the TSXV or the CSE, or as otherwise contemplated in this Agreement.

**7.2 Concerning PrivCo** - In order to induce the Issuer to enter into this Agreement and complete its obligations hereunder, PrivCo represents and warrants to the Issuer that:

- (a) it is a valid and subsisting corporation duly incorporated and validly existing under the laws of British Columbia;
- (b) PrivCo is duly registered and licenced to carry on business in the jurisdictions in which it carries on business or owns property where so required by the laws of that jurisdiction and is not otherwise precluded from carrying on business or owning property in such jurisdictions by any other commitment, agreement or document;

- (c) PrivCo has full corporate power and authority to carry on its Business as now carried on by it, and has full power and authority to enter into this Agreement and will have at the Time of Closing, full power and authority to complete the Acquisition and related transactions and to carry out its obligations hereunder. This Agreement has been, and the Acquisition will be at the Time of Closing, duly authorized by all necessary shareholder and corporate action on the part of PrivCo, and this Agreement constitutes a valid and binding obligation of PrivCo in accordance with its terms, subject, however, to limitations imposed by law in connection with bankruptcy or similar proceedings and to the extent that equitable remedies such as specific performance or injunction are granted at the discretion of a court of competent jurisdiction;
- (d) it has no subsidiaries and will, at the Time of Closing, have no subsidiaries other than SubCo and does not own any securities issued by, or any equity or ownership interest in, any other Person other than the securities of SubCo which will be owned at the Time of Closing;
- (e) it is in material compliance with all Applicable Laws in the jurisdictions in which it carries on business and which may materially affect it, it has not received a notice of non-compliance, nor does it know of any facts that could give rise to a notice of such non-compliance with any such laws, regulations and statutes, and it is not aware of any pending change or contemplated change to any Applicable Law or governmental position that would materially affect the Business of PrivCo or the Business or legal environment under which PrivCo operates;
- (f) as of the date hereof, the authorized capital of PrivCo consists of an unlimited number of common shares, of which 15,532,000 PrivCo Shares, registered as set out in Schedule "A", are issued and outstanding as fully paid and non-assessable, and, to the knowledge of PrivCo, such shares are free and clear of all trading restrictions (except as provided for herein, in the Articles of PrivCo, under Applicable Law or pursuant to seasoning period or restricted periods prescribed under NI 45-102 *Resale of Securities*), liens, charges or Encumbrances of any kind whatsoever. No Person has any right, agreement or option, present or future, contingent or absolute, or any right capable of becoming such a right, agreement or option, for the issue or allotment of any unissued shares in the capital of PrivCo or any other security convertible into or exchangeable for any such shares, other than the PrivCo Warrants;
- (g) as of the date hereof, the authorized capital of SubCo consists of (i) an unlimited number of class a voting shares, of which 1 is issued and outstanding, and (ii) an unlimited number of class b non-voting shares, of which 99 are issued and outstanding, and all such shares will, at the Time of Closing, be held by PrivCo, free and clear of all (except as provided for herein, in the Articles of SubCo, under Applicable Law or pursuant to seasoning period or restricted periods prescribed under NI 45-102 *Resale of Securities*), liens, charges or Encumbrances of any kind whatsoever. No Person has any right, agreement or option, present or future, contingent or absolute, or any right capable of becoming such a right, agreement or option, for the issue or allotment of any unissued shares in the capital of SubCo or any other security convertible into or exchangeable for any such shares other than pursuant to the SubCo Acquisition;
- (h) PrivCo and SubCo have always conducted and are continuing to conduct their business and activities in compliance with Applicable Laws concerning cannabis and cannabis products, including the Cannabis Act. There are no orders, penalties, summary convictions or other punishments pending or threatened against either PrivCo or SubCo under the Cannabis Act;

- (i) SubCo has obtained and is in compliance in all material respects with the Cannabis Licenses, which are in full force and effect and no application or proceeding is pending or threatened with respect to termination, revocation, adverse modification, non-renewal, suspension or cancellation of the Cannabis Licenses and no Governmental Authority has provided PrivCo or SubCo with notice of any of the foregoing;
- (j) There are no securities of PrivCo, other than the PrivCo Shares and PrivCo Warrants, which have the right to vote generally, or are convertible into or exchangeable for securities having the right to vote generally, with the holders of PrivCo Shares on any matter. There are no outstanding contractual or other obligations of PrivCo to repurchase, redeem or otherwise acquire any of PrivCo's securities. There are no outstanding bonds, debentures or other evidences of indebtedness of PrivCo having the right to vote with the holders of the outstanding PrivCo Shares on any matters;
- (k) all financial, marketing, sales and operational information by PrivCo provided to the Issuer does not contain any material misrepresentations (as such term is defined in the Securities Acts) and do not omit to state a material fact (as such term is defined in the Securities Acts) which, at the date thereof, was required to have been stated or was necessary to prevent a statement that was made from being false or misleading in the circumstances in which it was made;
- (l) all financial statements of PrivCo, have been prepared in accordance with International Financial Reporting Standards, present fairly in all material respects the financial position and all material liabilities (accrued, absolute, contingent or otherwise) of PrivCo, as of the date thereof, and there has been no Material Adverse Change in the financial position of PrivCo since the date of the PrivCo Financial Statements and the business of PrivCo has been carried on in the usual and ordinary course consistent with past practice since the date thereof;
- (m) PrivCo has complied fully in all material respects with the requirements of all applicable corporate and securities laws and administrative policies and directions, including, without limitation, the Securities Acts, in relation to the issue of its securities;
- (n) PrivCo has made available to the Issuer for inspection true and complete copies of all material contracts to which PrivCo is a party and that are currently in force (the "**PrivCo Material Contracts**"). Without limitation, the PrivCo Material Contracts include (i) the supply agreement between PrivCo and TCann Pty Ltd. ("**Promethean**") dated August 11, 2021, as supplemented pursuant to a side letter between PrivCo and Promethean dated August 24, 2021 and novated pursuant to a novation agreement among PrivCo, SubCo and Promethean, dated November 17, 2021; (ii) the supply agreement between PrivCo and Emerald Health Therapeutics Canada Inc. ("**Emerald**") dated October 6, 2021, as novated pursuant to a novation agreement among PrivCo, SubCo and Emerald dated October 29, 2021 (the "**Supply Agreement**"); (iii) the manufacturing agreement between PrivCo and Emerald dated October 6, 2021, as novated pursuant to a novation agreement among PrivCo, SubCo and Emerald dated October 29, 2021 (the "**Manufacturing Agreement**"); and (iv) the marketing agreement between PrivCo and Emerald dated October 6, 2021, as novated pursuant to a novation agreement among PrivCo, SubCo and Emerald dated October 29, 2021 (the "**Marketing Agreement**"). The PrivCo Material Contracts are in full force and effect, and PrivCo is entitled to all rights and benefits thereunder in accordance with the terms thereof, except that on December 15, 2021, Emerald provided notice of termination under the Supply Agreement, the Manufacturing Agreement and the Marketing Agreement. All the PrivCo Material Contracts are valid and binding obligations of PrivCo, enforceable in accordance with their respective terms, except as may be limited by bankruptcy, insolvency and other laws affecting the enforcement of creditors' rights

generally and subject to the qualification that equitable remedies may only be granted in the discretion of a court of competent jurisdiction. PrivCo has complied in all material respects with all terms of the PrivCo Material Contracts, has paid all amounts due thereunder if, as and when due, has not waived any rights thereunder and no material default or breach exists in respect thereof on the part of PrivCo or, to the knowledge of PrivCo, on the part of any other party thereto, and no event has occurred which, after the giving of notice or the lapse of time or both, could constitute such a default or breach or trigger a right of termination of any of the PrivCo Material Contracts;

- (o) except as disclosed to the Issuer in writing, there are no material claims, actions, suits, grievances, complaints or proceedings pending or, to the knowledge of PrivCo, threatened affecting PrivCo or affecting their property or assets at law or in equity before or by any Governmental Authority, including matters arising under Environmental Laws. PrivCo's assets and properties are not subject to any outstanding material judgment, order, writ, injunction or decree;
- (p) PrivCo has obtained and is in compliance with all Permits required by Applicable Laws necessary to conduct its Business as now being conducted. To the knowledge of PrivCo, there are no facts, events or circumstances that would reasonably be expected to result in a failure to obtain or be in compliance with the Permits as are necessary to conduct its Business;
- (q) PrivCo is not a party to any actions, suits or proceedings which could materially affect its business or financial condition, and to the best of PrivCo's knowledge no such actions, suits or proceedings are contemplated or have been threatened;
- (r) there are no judgments against PrivCo which are unsatisfied, nor are there any consent decrees or injunctions to which PrivCo is subject;
- (s) PrivCo is not subject to any regulatory decision or order prohibiting or restricting transfer of its securities;
- (t) to the best of PrivCo's knowledge, there are no material liabilities of PrivCo, whether direct, indirect, absolute, contingent or otherwise, except as disclosed in the financial statements of PrivCo, and disclosed in PrivCo's business records provided to the Issuer and related to the ordinary course of business;
- (u) PrivCo does not have any loans or other indebtedness outstanding which has been made to any of its shareholders, officers, directors or employees, past or present, or any Person with which it does not deal at "arm's length" (as such term is used in the Tax Act);
- (v) to the best of PrivCo's knowledge, PrivCo is not aware of any material contingent tax liabilities of PrivCo of any kind whatsoever or any grounds which would prompt a reassessment of PrivCo;
- (w) PrivCo does not have any material outstanding indebtedness or liabilities and is not party to or bound by any suretyship, guarantee, indemnification or assumption agreement, or endorsement of, or any other similar commitment with respect to the obligations, liabilities or indebtedness of any Person that are material to PrivCo, other than those specifically disclosed to the Issuer in writing prior to the date hereof, or incurred in the ordinary course of business;
- (x) the financial books, records and accounts of PrivCo have in all material respects, been maintained in accordance with Applicable Law, in accordance with applicable accounting

standards and, in each case, are stated in reasonable detail and accurately and fairly reflect the material transactions and dispositions of the assets of PrivCo and accurately and fairly reflect the basis for all financial statements of PrivCo, including the PrivCo Financial Statements;

- (y) the execution and delivery of this Agreement and the performance of PrivCo's obligations under this Agreement will not:
  - (i) conflict with, or result in the breach or the acceleration of, any indebtedness under, or constitute default under, the charter or constating documents of PrivCo, or any indenture, mortgage, agreement, lease, licence or other instrument of any kind whatsoever to which PrivCo is a party, or by which each one of them is bound, or any judgment or order of any kind whatsoever of any court or administrative body of any kind whatsoever by which each one of them is bound; or
  - (ii) result in the violation of any law, ordinance, statute, regulation, by-law, order or decree of any kind whatsoever by PrivCo; or
  - (iii) violate the constating documents of PrivCo, or any resolutions of the directors or shareholders of PrivCo;
- (z) to the knowledge of PrivCo, PrivCo has in all material respects complied with and is not in violation of any Applicable Laws;
- (aa) no consent, waiver, approval, order or authorization of, or registration, declaration or filing with, any Governmental Authority is required in order to maintain the Cannabis Licenses in full force and effect immediately upon consummation of the Transaction;
- (bb) as at Closing, the PrivCo Shares shall be validly issued, fully paid and non-assessable, and, to the knowledge of PrivCo, such PrivCo Shares shall be free and clear of all trading restrictions (except as provided for herein, in the Articles of PrivCo and under Applicable Law or pursuant to seasoning period or restricted periods prescribed under NI 45-102 *Resale of Securities*), liens, charges or Encumbrances of any kind whatsoever;
- (cc) the PrivCo Shares and the PrivCo Warrants are the only issued and outstanding "securities" of PrivCo (as that term is defined in the Securities Act); and
- (dd) since September 30, 2021, there has not been any Material Adverse Change of any kind whatsoever to the financial position or condition of PrivCo or any damage, loss or other change of any kind whatsoever in circumstances materially affecting the business, assets of PrivCo or the right or capacity of PrivCo to carry on its business.

**7.3 Concerning the PrivCo Securityholders** - In order to induce the Issuer to enter into this Agreement and complete its obligations hereunder, each of the PrivCo Securityholders severally represents and warrants to the Issuer solely with respect to itself that:

- (a) if a corporation, it is a valid and subsisting corporation duly incorporated under the laws of the jurisdiction in which it is incorporated or formed;
- (b) it will be, at the Time of Closing, the legal and beneficial owner of the PrivCo Shares and PrivCo Warrants, as applicable, registered in its name as set out in Schedule A, free and clear of all Encumbrances and has no right, title or interest in or to any additional shares or other securities of PrivCo;

- (c) at the Time of Closing the PrivCo Securityholder will have complete and unrestricted right, power and authority to transfer legal and beneficial title in and to its PrivCo Securities to the Issuer, free and clear of all liens, claims, charges and Encumbrances whatsoever;
- (d) the PrivCo Securityholder has not granted to anyone any option or right to acquire any of its PrivCo Securities;
- (e) the entering into and performance of this Agreement and the transactions contemplated herein by it will not violate:
  - (i) if a corporation, its constating documents or bylaws;
  - (ii) will not result in the creation or imposition of any Encumbrance or restriction of any nature whatsoever in favour of a third party upon or against the PrivCo Shares or PrivCo Warrants owned by it; or
  - (iii) any statute, regulation, by law, order, judgment, or decree by which it is bound, except for such violations which would not have a Material Adverse Change on the PrivCo Securityholder;
- (f) if a corporation, the PrivCo Securityholder has taken all necessary corporate action to permit and authorize the sale of its PrivCo Securities to the Issuer;
- (g) it acknowledges and agrees to be bound by any restrictions on the resale of the Issuer Consideration Securities issued to it at the Closing that may be imposed by Applicable Law, the TSXV or the CSE;
- (h) it acknowledges and agrees to be bound by the PrivCo Shareholders Pooling Agreement at Closing; and
- (i) the PrivCo Securityholder has been advised to obtain independent legal and tax advice prior to entering into this Agreement.

7.4 **Survival** – The representations and warranties made by the parties under this Article 7 are true and correct as of the date hereof and shall be true and correct at the Time of Closing as though they were made at that time, and should such not be the case, the parties to whom the representations and warranties were made shall be entitled, for a period of one year following the Closing, to seek remedy against that party for any such misrepresentation or breach of warranty. After the expiration of such period, as applicable, no party 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 period, as applicable.

7.5 **Indemnity** - The Issuer agrees to indemnify and save harmless PrivCo and the PrivCo Securityholders, and PrivCo similarly agrees to indemnify and save harmless the Issuer, from and against all losses, claims, actions, causes of action and liabilities, including legal fees and disbursements, of any and all nature whatsoever (“**Losses**”), which the other may suffer, sustain or incur or which may be brought, made or asserted against the other as the result of any inaccuracy in any representation and warranty made in this Agreement by the indemnifying party, or which may be suffered or incurred as a result of, in respect of or arising out of any non-fulfillment of any covenant or agreement on the part of such indemnifying party, subject to the following limitations:

- (a) there shall be no obligation to indemnify in respect of a claim not made in writing within the earlier of:

- (i) the applicable survival period, if any, specified in Section 7.4; or
  - (ii) the period of 180 days from the date upon which the party claiming the indemnity first learned of the facts giving rise to the claim;
- (b) PrivCo shall not be considered to be in breach of any representation or warranty concerning the assets or liabilities of PrivCo by reason of an inaccuracy in aggregate assets or aggregate liabilities which occurs in good faith and does not exceed \$20,000; and
  - (c) the Issuer shall not be considered to be in breach of any representation and warranty concerning the assets or liabilities of the Issuer by reason of an inaccuracy in aggregate assets or aggregate liabilities, which occurs in good faith and does not exceed \$20,000.

**7.6 Limitations on Representations and Warranties** – The parties shall not be deemed to have made any representation or warranty other than as expressly made in Sections 7.1 to 7.3 hereof. Notwithstanding anything to the contrary contained herein, no party hereto shall be liable for any Losses resulting from or relating to any inaccuracy in or breach of any representation or warranty in this Agreement if the party seeking indemnification for such Losses had actual or constructive knowledge of such breach or inaccuracy before Closing.

## **8. CLOSING**

**8.1 Closing Date** - The Closing shall take place electronically at the Time of Closing, or at such other time, date or manner as PrivCo and the Issuer may mutually agree.

**8.2 Deliveries by PrivCo and the PrivCo Securityholders** - At the Time of Closing, upon the fulfillment or waiver of all of the conditions set out in Article 6, PrivCo and the PrivCo Securityholders shall deliver to the Issuer the following documents:

- (a) a certified true copy of the register of shareholders of PrivCo, showing the Issuer as the sole shareholder of PrivCo;
- (b) a PrivCo Share certificate, registered in the name of the Issuer, representing 100% of the PrivCo Shares issued and outstanding;
- (c) a certified true copy of the resolutions of the directors evidencing that the board of directors of PrivCo have approved this Agreement and all of the transactions of PrivCo contemplated hereunder;
- (d) such other materials that are, in the opinion of the Issuer acting reasonably, required to be delivered by the PrivCo Securityholders and by PrivCo in order for them to meet their obligations under this Agreement; and
- (e) evidence satisfactory to the Issuer and their legal counsel, acting reasonably, of the completion of all corporate proceedings of PrivCo and all other matters which, in the reasonable opinion of counsel for the Issuer, are necessary in connection with the transactions contemplated by this Agreement.

**8.3 Deliveries by the Issuer** - At the Time of Closing on the Closing Date, upon the fulfillment or waiver of all of the conditions set out in Article 6, the Issuer shall deliver to PrivCo, on its own behalf and on behalf of the PrivCo Securityholders:

- (a) the Issuer Consideration Securities duly registered in accordance with the instructions provided by each PrivCo Securityholder on their respective execution page hereof;



- (b) evidence of Regulatory Approval of the Transaction, including the Name Change;
- (c) evidence of any shareholder approvals required by the TSXV and/or CSE in respect of the Transaction;
- (d) evidence of conditional approval, subject to compliance with the usual requirements of the CSE, for the listing of the Resulting Issuer Shares on the CSE;
- (e) evidence satisfactory to PrivCo of the appointment of the directors and officers identified in Section 3.1;
- (f) such other materials that are, in the opinion of PrivCo acting reasonably, required to be delivered by the Issuer in order for the PrivCo Securityholders and/or PrivCo to meet their obligations under this Agreement; and
- (g) evidence satisfactory to the PrivCo Securityholders, PrivCo and their legal counsel, acting reasonably, of the completion of all corporate proceedings of the Issuer and all other matters which, in the reasonable opinion of counsel for the PrivCo Securityholders and PrivCo, are necessary in connection with the transactions contemplated by this Agreement.

## 9. ORDINARY COURSE

Until the Time of Closing, neither PrivCo nor the Issuer shall, without the prior written consent of the other or as expressly contemplated herein, enter into any contract in respect of its business or assets, other than in the ordinary course of business, and each of PrivCo and the Issuer shall continue to carry on its Business and maintain its assets in the ordinary course of business, with the exception of reasonable costs incurred in connection with the Closing, the Acquisition, and, without limitation, but subject to the above exceptions, 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 senior officer, in each case without the prior written consent of the other.

## 10. TERMINATION

10.1 If any of the conditions contained in Article 6 hereof shall not be fulfilled or performed by the Closing Date or such other later date mutually agreed upon by the Issuer and PrivCo (the "**Termination Date**"), and such condition is contained in:

- (a) Section 6.1 hereof, either of the Issuer or PrivCo (on its own behalf and on behalf of the PrivCo Securityholders) may terminate this Agreement by written notice to the Issuer or PrivCo (on its own behalf and on behalf of the PrivCo Securityholders), as applicable;
- (b) Section 6.2 hereof, the Issuer may terminate this Agreement by written notice to PrivCo (on its own behalf and on behalf of the PrivCo Securityholders); or
- (c) Section 6.3 hereof, PrivCo (on its own behalf and on behalf of the PrivCo Securityholders) may terminate this Agreement by written notice to the Issuer.

If this Agreement is terminated as aforesaid, the party terminating this Agreement shall be released from all obligations under this Agreement, all rights of specific performance against such party shall terminate and, unless such party can show that the condition or conditions the non-performance of which has caused such party to terminate this Agreement were reasonably capable of being performed by the other party, then the other party shall also be released from all obligations hereunder, and provided that any of such

conditions may be waived in full or in part by either of the parties without prejudice to its rights of termination in the event of the non-fulfillment or non-performance of any other condition.

10.2 If any of the parties hereto shall determine at any time prior to the Closing Date that it intends to refuse to consummate the Acquisition or any of the other transactions contemplated hereby because of any unfulfilled or unperformed condition contained in this Agreement on the part of the other of them to be fulfilled or performed, the party shall so notify the other of them forthwith upon making such determination in order that such other of them shall have the right and opportunity to take such steps, at its own expense, as may be necessary for the purpose of fulfilling or performing such condition within a reasonable period of time, but in no event later than the Termination Date.

## **11. ACKNOWLEDGEMENT OF PRIVCO SECURITYHOLDERS**

11.1 The PrivCo Securityholders each acknowledge and agree that upon Closing, any and all rights they may have in or to any securities of PrivCo shall automatically (without any further action) be absolutely terminated and cancelled and no PrivCo Securityholder shall be entitled to any consideration in respect of same other than as explicitly set forth herein. Further, pursuant to Article 14, each of the PrivCo Securityholders hereby nominates, constitutes and appoints Elliot McKerr as his/her/its true and lawful attorney-in-fact and agent, with full power of substitution and re-substitution, and in his/her/its name, place and stead, to execute any and all documents, instruments and agreements necessary to effect the foregoing, including for greater certainty to execute the PrivCo Shareholders Pooling Agreement, and to do and perform each and every act and thing requisite and necessary to be done, as fully and to all intents and purposes as each of the undersigned PrivCo Securityholders might or could do in person, in order to effect the foregoing.

## **12. STANDSTILL AGREEMENT**

12.1 During the period commencing on the date of this Agreement and continuing until the earlier of (i) the closing of the Transaction and (ii) the termination of this Agreement, each of PrivCo and the Issuer agrees that it will not, directly or indirectly, and will not authorize or permit any representative or agent thereof to, directly or indirectly, (a) solicit, initiate, encourage, engage in or respond to any inquiry or proposal regarding any merger, amalgamation, share exchange, business combination, take-over bid, sale or other disposition of all or substantially all of its assets, any recapitalization, reorganization, liquidation, material sale or issue of treasury securities or rights or interest therein or thereto or rights or options to acquire any material number of treasury securities or any type of similar transaction which would or could, in any case, constitute or result in a de facto change of control of either party or the disposition of substantially all of its assets (each an “**Alternative Transaction**”), other than the Transaction and the transactions contemplated by the FundCo Agreement, (b) encourage or participate in any discussions or negotiations regarding any Alternative Transaction, (c) agree to, approve or recommend an Alternative Transaction, or (d) enter into any agreement related to an Alternative Transaction.

12.2 Nothing contained in this Agreement will prohibit, prevent or restrict PrivCo from furnishing or from providing information in respect of or otherwise responding to or engaging in discussions or negotiations in respect of, an unsolicited Alternative Transaction not resulting from a breach of Section 12.1 or the directors of PrivCo, in the fulfilment of their fiduciary duties, from supporting or facilitating any such unsolicited Alternative Transaction, or PrivCo from completing any such Alternative Transaction, or entering into a definitive and binding agreement to effect such an unsolicited Alternative Transaction, if directors of PrivCo determine in good faith, after consultation, to the extent considered appropriate by the directors, with their financial and legal advisors, that the unsolicited Alternative Transaction constitutes, or could reasonably be expected to lead to or result in, a transaction that would, if consummated in accordance with its terms, be more favourable to PrivCo or the PrivCo Shareholders than the Transaction provided, however, that prior to taking such action, the directors of PrivCo shall have concluded, after considering Applicable Law, and receiving advice of outside counsel that such action would be a proper exercise of their fiduciary duties, or is otherwise required under Applicable Law,

### 13. PUBLIC DISCLOSURE

13.1 **Restrictions on Disclosure** - No disclosure or announcement, public or otherwise, in respect of this Agreement or the transactions contemplated herein will be made by the Issuer or PrivCo without the prior written agreement of the other as to timing, content and method, provided that the obligations herein will not prevent the Issuer or PrivCo from making, after consultation with the other, such disclosure as its counsel advises is required by Applicable Law, including the rules and policies of the TSXV and the CSE or as is required to carry out the transactions contemplated in this Agreement or the obligations of the Issuer or PrivCo.

13.2 **Confidentiality** - Except with the prior written consent of the other, each of the Issuer or PrivCo and its respective employees, officers, directors, shareholders, agents, advisors and other representatives will hold all information received from the Issuer or PrivCo, as applicable concerning any of the Issuer, PrivCo and the PrivCo Securityholders in strictest 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 Law, including the rules and policies of the TSXV and the CSE. All such information in written or electronic form and documents will be promptly returned to the party originally delivering them in the event that the transactions provided for in this Agreement are not completed.

13.3 **Personal Information** - Each of the PrivCo Securityholders hereby consents to the disclosure of his or her personal information in connection with the transactions contemplated by this Agreement, including without limitation the Acquisition, and acknowledges and consents to the fact that PrivCo and the Issuer 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 PrivCo Securityholder for the purposes of completing this Agreement and the transactions contemplated hereby. Each PrivCo Securityholder acknowledges and consents to PrivCo and the Issuer retaining such personal information for as long as permitted or required by law or business practices. Each PrivCo Securityholder further acknowledges and consents to the fact that PrivCo and the Issuer may be required by applicable securities legislation or the rules and policies of the TSXV and the CSE to provide regulatory authorities with any personal information provided by the PrivCo Securityholders in this Agreement and each PrivCo Securityholder further consents to the public disclosure of such information by electronic filing or by any other means.

### 14. POWER OF ATTORNEY

Each of the PrivCo Securityholders hereby nominates, constitutes and appoints Elliot McKerr as his/her/its true and lawful attorney-in-fact and agent, with full power of substitution and re-substitution, and in his/her/its name, place and stead, to execute any and all documents, instruments and agreements relating to the Acquisition, including all documents, instruments and agreements that may be required to effect the exchange of the PrivCo Securities, and the subsequent cancellation and termination of the PrivCo Securities as contemplated hereby, with full power and authority to do and perform each and every act and thing requisite and necessary to be done, as fully and to all intents and purposes as each of the undersigned PrivCo Securityholders might or could do in person, and each of the undersigned PrivCo Securityholders hereby ratifies and agrees to ratify and confirm all that the said attorney-in-fact and agent, or her substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

### 15. GENERAL

15.1 **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 paragraph 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.

15.2 **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. In particular, upon the execution and delivery of this Agreement, the Letter of Intent dated July 12, 2021 made between the Issuer and PrivCo is hereby terminated and of no further force and effect.

15.3 **Independent Legal Advice.** Each of the parties to this Agreement acknowledges and agrees that Miller Thomson LLP (“**MT**”) has acted as legal counsel to the Issuer only, and Segev LLP (“**Segev**”) has acted as legal counsel to PrivCo only, and not to any other party to this Agreement, and that neither Segev nor MT has been engaged to protect the rights and interests of any of the other parties, meaning the individual PrivCo Securityholders. Each of the PrivCo Securityholders acknowledges and agrees that PrivCo, the Issuer, the other PrivCo Securityholders, Segev and MT have given them adequate opportunity to seek, and have recommended that they seek and obtain, independent legal and taxation advice with respect to the subject matter of this Agreement and for the purpose of ensuring their rights and interests are protected. Each of the PrivCo Securityholders represents and warrants to the Issuer, PrivCo, Segev and MT that he/she/it has sought independent legal and taxation advice or consciously chosen not to do so with full knowledge of the risks associated with not obtaining such independent legal and taxation advice.

15.4 **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.

15.5 **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 a form executed by PrivCo, the Issuer and holders of not less than 66 2/3% of the outstanding PrivCo Shares (calculated after giving effect to the conversion of the PrivCo Warrants issued and outstanding at such time); provided that if any such alteration, amendment, modification, or interpretation materially adversely affects a particular PrivCo Securityholder or group of PrivCo Securityholders more so than the other PrivCo Securityholders, the written consent of such materially adversely affected PrivCo Securityholder(s) shall also be required. Notwithstanding the foregoing, the provisions hereof may be altered, amended or modified on written consent of the Issuer and PrivCo only, provided such alteration, amendment or modification is made for any one or more or all of the following purposes:

- (a) adding to the provisions hereof such additional covenants, enforcement provisions, and release provisions (if any) as in the opinion of counsel acceptable to the Issuer and PrivCo are necessary or advisable, provided the same are not, in the opinion of counsel to the Issuer and PrivCo, prejudicial to the interests of the PrivCo Securityholders;
- (b) adding to the covenants of the Issuer or PrivCo in this Agreement for the protection of the PrivCo Securityholders;
- (c) providing for the issuance of an alternative number of the Issuer Consideration Shares hereunder and any consequential amendments hereto as may be required by the Issuer and PrivCo relying on the advice of counsel, provided the same are not, in the opinion of counsel to the Issuer and PrivCo, materially prejudicial to the interests of the PrivCo Securityholders;
- (d) making such provisions not inconsistent with this Agreement as may be deemed necessary or desirable with respect to matters or questions arising hereunder, provided the same are not, in the opinion of counsel to the Issuer and PrivCo, prejudicial to the interests of the PrivCo Securityholders;

- (e) to rectify any ambiguity, defective provision, clerical omission or mistake or manifest or other error contained herein or in any deed or agreement supplemental or ancillary hereto provided that, in the opinion of the counsel to the Issuer and PrivCo, the rights of the PrivCo Securityholders are not prejudiced thereby;
- (f) adding to or altering the provisions hereof in respect of the transfer of securities and making provision for the exchange of securities of different denominations which do not affect the substance thereof; or
- (g) for any other purpose not inconsistent with the provisions of this Agreement, provided that, in the opinion of counsel to the Issuer and PrivCo, the rights of the PrivCo Securityholders are in no way prejudiced thereby.

15.6 **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 mail to the Issuer or PrivCo (on its own behalf and on behalf of the PrivCo Securityholders) at their following respective addresses:

**To the Issuer:**

Mount Dakota Energy Corp.  
363 West 6th Avenue  
Vancouver, BC  
V5Y 1L1

**Attention:** John Kim  
**Email:** [Redacted – Private Information]

**With a copy to:**

Miller Thomson LLP  
Suite 400, 725 Granville Street  
Vancouver, BC V7Y 1G5

**Attention:** Brian Fast  
**Email:** [Redacted – Private Information]

**To PrivCo or the PrivCo Securityholders:**

HYTN Beverage Corp.  
12 East 4th Ave  
Vancouver, BC V5T 1E8

**Attention:** Elliot McKerr  
**Email:** [Redacted – Private Information]

**With a copy to:**

Segev LLP  
The King George Building  
6th Floor, 905 West Pender Street  
Vancouver, British Columbia  
V6C 1L6

**Attention:** Aadam Tejpar  
**Email:** [Redacted – Private Information]

or to such other addresses as may be given in writing by the Issuer or PrivCo, in the manner provided for in this paragraph, and the party sending such notice should request acknowledgment of delivery and the party receiving such notice should provide such acknowledgment. Notwithstanding whether or not a request for acknowledgment has been made or replied to, whether or not delivery has occurred will be a question of fact. If a party can prove that delivery was made as provided for above, then it will constitute delivery for the purposes of this Agreement whether or not the receiving party acknowledged receipt.

15.7 **Assignment** - This Agreement may not be assigned by any party hereto without the prior written consent of all of the parties hereto.

15.8 **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 irrevocably and unconditionally attorn to the jurisdiction of the Courts of British Columbia.

15.9 **Counterparts** - This Agreement may be signed by fax, e-mail (scan) or other means of electronic transmission and in counterpart, and each copy so signed shall be deemed to be an original, and all such counterparts together shall constitute one and the same instrument.

15.10 **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.

15.11 **Number and Gender** - 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.

15.12 **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. Execution page follows.]**

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the Effective Date.

**MOUNT DAKOTA ENERGY CORP.**

Per: "S. John Kim"  
Authorized Signatory

**HYTN BEVERAGE CORP.**

Per: "Elliot McKerr"  
Authorized Signatory

**SCHEDULE A - PRIVCO SECURITYHOLDERS**

This Schedule A is incorporated by reference and deemed to form part of this Agreement dated as of the Effective Date.

<b>Name and Address of PrivCo Securityholder</b>	<b>Number of PrivCo Shares</b>	<b>Number of PrivCo Warrants</b>	<b>Number of Issuer Consideration Shares to be Issued</b>	<b>Number of Issuer Consideration Warrants to be Issued</b>
[Redacted – Private Information]	2,850,000	400,000	2,850,000	400,000
[Redacted – Private Information]	1,283,333	nil	1,283,333	nil
[Redacted – Private Information]	26,575	nil	26,575	nil
[Redacted – Private Information]	825,000	nil	825,000	nil
[Redacted – Private Information]	825,000	nil	825,000	nil
[Redacted – Private Information]	1,650,000	nil	1,650,000	nil
[Redacted – Private Information]	1,650,000	nil	1,650,000	nil
[Redacted – Private Information]	1,650,000	nil	1,650,000	nil
[Redacted – Private Information]	91,871	nil	91,871	nil
[Redacted – Private Information]	91,871	nil	91,871	nil
[Redacted – Private Information]	606,350	nil	606,350	nil
[Redacted – Private Information]	750,000	nil	750,000	nil
[Redacted – Private Information]	750,000	nil	750,000	nil
[Redacted – Private Information]	400,000	400,000	400,000	400,000
[Redacted – Private Information]	32,000	32,000	32,000	32,000
[Redacted – Private Information]	100,000	100,000	100,000	100,000
[Redacted – Private Information]	80,000	80,000	80,000	80,000
[Redacted – Private Information]	120,000	120,000	120,000	120,000
[Redacted – Private Information]	200,000	200,000	200,000	200,000



<b>Name and Address of PrivCo Securityholder</b>	<b>Number of PrivCo Shares</b>	<b>Number of PrivCo Warrants</b>	<b>Number of Issuer Consideration Shares to be Issued</b>	<b>Number of Issuer Consideration Warrants to be Issued</b>
[Redacted – Private Information]	1,200,000	1,200,000	1,200,000	1,200,000
[Redacted – Private Information]	250,000	nil	250,000	nil
[Redacted – Private Information]	100,000	nil	100,000	nil
<b>TOTAL</b>	<b>15,532,000</b>	<b>2,532,000</b>	<b>15,532,000</b>	<b>2,532,000</b>

**SCHEDULE B –**

**Signatures of PrivCo Securityholders (Individual)**

This Schedule B is incorporated by reference and deemed to form part of this Agreement dated as of the Effective Date.

**PrivCo Securityholder Details:**

Name of PrivCo Securityholder: [Redacted – Private Information]

Address of PrivCo Securityholder: [Redacted – Private Information]

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**Issuer Consideration Securities Registration and Delivery Instructions:**

Registered Name of Shareholder:

Address of Record for Shareholder:

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Delivery Address (if different from address of record):

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Contact Person Name:

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Contact Person Telephone:

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Contact Person Email Address:

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The undersigned agrees to be bound by the terms and conditions of the Agreement, and by signing where indicated, the PrivCo Securityholder agrees to transfer to the Issuer all of the PrivCo Securities it owns, as described in Schedule A.

[Redacted – Private Information]

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[Redacted – Private Information]

**SCHEDULE B –**

**Signatures of PrivCo Securityholders (Individual)**

This Schedule B is incorporated by reference and deemed to form part of this Agreement dated as of the Effective Date.

**PrivCo Securityholder Details:**

Name of PrivCo Securityholder: [Redacted – Private Information]

Address of PrivCo Securityholder: [Redacted – Private Information]

**Issuer Consideration Securities Registration and Delivery Instructions:**

Registered Name of Shareholder:

Address of Record for Shareholder:

Delivery Address (if different from address of record):

Contact Person Name:

Contact Person Telephone:

Contact Person Email Address:

The undersigned agrees to be bound by the terms and conditions of the Agreement, and by signing where indicated, the PrivCo Securityholder agrees to transfer to the Issuer all of the PrivCo Securities it owns, as described in Schedule A.

[Redacted – Private Information]

[Redacted – Private Information]

**SCHEDULE B –**

**Signatures of PrivCo Securityholders (Individual)**

This Schedule B is incorporated by reference and deemed to form part of this Agreement dated as of the Effective Date.

**PrivCo Securityholder Details:**

Name of PrivCo Securityholder: [Redacted – Private Information]

Address of PrivCo Securityholder: [Redacted – Private Information]

**Issuer Consideration Securities Registration and Delivery Instructions:**

Registered Name of Shareholder:

Address of Record for Shareholder:

Delivery Address (if different from address of record):

Contact Person Name:

Contact Person Telephone:

Contact Person Email Address:

The undersigned agrees to be bound by the terms and conditions of the Agreement, and by signing where indicated, the PrivCo Securityholder agrees to transfer to the Issuer all of the PrivCo Securities it owns, as described in Schedule A.

[Redacted – Private Information]

[Redacted – Private Information]

**SCHEDULE B –**

**Signatures of PrivCo Securityholders (Individual)**

This Schedule B is incorporated by reference and deemed to form part of this Agreement dated as of the Effective Date.

**PrivCo Securityholder Details:**

Name of PrivCo Securityholder: [Redacted – Private Information]

Address of PrivCo Securityholder: [Redacted – Private Information]

**Issuer Consideration Securities Registration and Delivery Instructions:**

Registered Name of Shareholder:

Address of Record for Shareholder:

Delivery Address (if different from address of record):

Contact Person Name:

Contact Person Telephone:

Contact Person Email Address:

The undersigned agrees to be bound by the terms and conditions of the Agreement, and by signing where indicated, the PrivCo Securityholder agrees to transfer to the Issuer all of the PrivCo Securities it owns, as described in Schedule A.

[Redacted – Private Information]

[Redacted – Private Information]

**SCHEDULE B –**

**Signatures of PrivCo Securityholders (Individual)**

This Schedule B is incorporated by reference and deemed to form part of this Agreement dated as of the Effective Date.

**PrivCo Securityholder Details:**

Name of PrivCo Securityholder: [Redacted – Private Information]

Address of PrivCo Securityholder: [Redacted – Private Information]

**Issuer Consideration Securities Registration and Delivery Instructions:**

Registered Name of Shareholder:

Address of Record for Shareholder:

Delivery Address (if different from address of record):

Contact Person Name:

Contact Person Telephone:

Contact Person Email Address:

The undersigned agrees to be bound by the terms and conditions of the Agreement, and by signing where indicated, the PrivCo Securityholder agrees to transfer to the Issuer all of the PrivCo Securities it owns, as described in Schedule A.

[Redacted – Private Information]

[Redacted – Private Information]

**SCHEDULE B –**

**Signatures of PrivCo Securityholders (Individual)**

This Schedule B is incorporated by reference and deemed to form part of this Agreement dated as of the Effective Date.

**PrivCo Securityholder Details:**

Name of PrivCo Securityholder: [Redacted – Private Information]

Address of PrivCo Securityholder: [Redacted – Private Information]

**Issuer Consideration Securities Registration and Delivery Instructions:**

Registered Name of Shareholder:

Address of Record for Shareholder:

Delivery Address (if different from address of record):

Contact Person Name:

Contact Person Telephone:

Contact Person Email Address:

The undersigned agrees to be bound by the terms and conditions of the Agreement, and by signing where indicated, the PrivCo Securityholder agrees to transfer to the Issuer all of the PrivCo Securities it owns, as described in Schedule A.

[Redacted – Private Information]

[Redacted – Private Information]

**SCHEDULE B –**

**Signatures of PrivCo Securityholders (Individual)**

This Schedule B is incorporated by reference and deemed to form part of this Agreement dated as of the Effective Date.

**PrivCo Securityholder Details:**

Name of PrivCo Securityholder: [Redacted – Private Information]

Address of PrivCo Securityholder: [Redacted – Private Information]

**Issuer Consideration Securities Registration and Delivery Instructions:**

Registered Name of Shareholder:

Address of Record for Shareholder:

Delivery Address (if different from address of record):

Contact Person Name:

Contact Person Telephone:

Contact Person Email Address:

The undersigned agrees to be bound by the terms and conditions of the Agreement, and by signing where indicated, the PrivCo Securityholder agrees to transfer to the Issuer all of the PrivCo Securities it owns, as described in Schedule A.

[Redacted – Private Information]

[Redacted – Private Information]



**SCHEDULE B –**

**Signatures of PrivCo Securityholders (Individual)**

This Schedule B is incorporated by reference and deemed to form part of this Agreement dated as of the Effective Date.

**PrivCo Securityholder Details:**

Name of PrivCo Securityholder: [Redacted – Private Information]

Address of PrivCo Securityholder: [Redacted – Private Information]

**Issuer Consideration Securities Registration and Delivery Instructions:**

Registered Name of Shareholder:

Address of Record for Shareholder:

Delivery Address (if different from address of record):

Contact Person Name:

Contact Person Telephone:

Contact Person Email Address:

The undersigned agrees to be bound by the terms and conditions of the Agreement, and by signing where indicated, the PrivCo Securityholder agrees to transfer to the Issuer all of the PrivCo Securities it owns, as described in Schedule A.

[Redacted – Private Information]

[Redacted – Private Information]

**SCHEDULE B –**

**Signatures of PrivCo Securityholders (Individual)**

This Schedule B is incorporated by reference and deemed to form part of this Agreement dated as of the Effective Date.

**PrivCo Securityholder Details:**

Name of PrivCo Securityholder: [Redacted – Private Information]

Address of PrivCo Securityholder: [Redacted – Private Information]

**Issuer Consideration Securities Registration and Delivery Instructions:**

Registered Name of Shareholder:

Address of Record for Shareholder:

Delivery Address (if different from address of record):

Contact Person Name:

Contact Person Telephone:

Contact Person Email Address:

The undersigned agrees to be bound by the terms and conditions of the Agreement, and by signing where indicated, the PrivCo Securityholder agrees to transfer to the Issuer all of the PrivCo Securities it owns, as described in Schedule A.

[Redacted – Private Information]

[Redacted – Private Information]

**SCHEDULE B –**

**Signatures of PrivCo Securityholders (Individual)**

This Schedule B is incorporated by reference and deemed to form part of this Agreement dated as of the Effective Date.

**PrivCo Securityholder Details:**

Name of PrivCo Securityholder: [Redacted – Private Information]

Address of PrivCo Securityholder: [Redacted – Private Information]

**Issuer Consideration Securities Registration and Delivery Instructions:**

Registered Name of Shareholder:

Address of Record for Shareholder:

Delivery Address (if different from address of record):

Contact Person Name:

Contact Person Telephone:

Contact Person Email Address:

The undersigned agrees to be bound by the terms and conditions of the Agreement, and by signing where indicated, the PrivCo Securityholder agrees to transfer to the Issuer all of the PrivCo Securities it owns, as described in Schedule A.

[Redacted – Private Information]

[Redacted – Private Information]

**SCHEDULE B –**

**Signatures of PrivCo Securityholders (Individual)**

This Schedule B is incorporated by reference and deemed to form part of this Agreement dated as of the Effective Date.

**PrivCo Securityholder Details:**

Name of PrivCo Securityholder: [Redacted – Private Information]

Address of PrivCo Securityholder: [Redacted – Private Information]

**Issuer Consideration Securities Registration and Delivery Instructions:**

Registered Name of Shareholder:

Address of Record for Shareholder:

Delivery Address (if different from address of record):

Contact Person Name:

Contact Person Telephone:

Contact Person Email Address:

The undersigned agrees to be bound by the terms and conditions of the Agreement, and by signing where indicated, the PrivCo Securityholder agrees to transfer to the Issuer all of the PrivCo Securities it owns, as described in Schedule A.

[Redacted – Private Information]

[Redacted – Private Information]

**SCHEDULE B - Signatures of PrivCo Securityholders (Corporation)**

This Schedule B is incorporated by reference and deemed to form part of this Agreement dated as of the Effective Date.

**PrivCo Securityholder Details:**

Name of PrivCo Securityholder: [Redacted – Private Information]

Address of PrivCo Securityholder: [Redacted – Private Information]

**Issuer Consideration Securities Registration and Delivery Instructions:**

Registered Name of Shareholder: \_\_\_\_\_

Address of Record for Shareholder: \_\_\_\_\_

Delivery Address (if different from address of record): \_\_\_\_\_

Contact Person Name: \_\_\_\_\_

Contact Person Telephone: \_\_\_\_\_

Contact Person Email Address: \_\_\_\_\_

The undersigned agrees to be bound by the terms and conditions of the Agreement, and by signing where indicated, the PrivCo Securityholder agrees to transfer to the Issuer all of the PrivCo Securities it owns, as described in Schedule A.

Corporate Name:  
[Redacted – Private Information] \_\_\_\_\_

Per: [Redacted – Private Information] \_\_\_\_\_  
*Authorized Signatory*

Name: [Redacted – Private Information] \_\_\_\_\_

Title: Director \_\_\_\_\_

**SCHEDULE B - Signatures of PrivCo Securityholders (Corporation)**

This Schedule B is incorporated by reference and deemed to form part of this Agreement dated as of the Effective Date.

**PrivCo Securityholder Details:**

Name of PrivCo Securityholder: [Redacted – Private Information]

Address of PrivCo Securityholder: [Redacted – Private Information]

**Issuer Consideration Securities Registration and Delivery Instructions:**

Registered Name of Shareholder:

Address of Record for Shareholder:

Delivery Address (if different from address of record):

Contact Person Name:

Contact Person Telephone:

Contact Person Email Address:

The undersigned agrees to be bound by the terms and conditions of the Agreement, and by signing where indicated, the PrivCo Securityholder agrees to transfer to the Issuer all of the PrivCo Securities it owns, as described in Schedule A.

Corporate Name:

[Redacted – Private Information]

Per: [Redacted – Private Information]

*Authorized Signatory*

Name: [Redacted – Private Information]

Title: President

**SCHEDULE B - Signatures of PrivCo Securityholders (Corporation)**

This Schedule B is incorporated by reference and deemed to form part of this Agreement dated as of the Effective Date.

**PrivCo Securityholder Details:**

Name of PrivCo Securityholder: [Redacted – Private Information]  
Address of PrivCo Securityholder: [Redacted – Private Information]

**Issuer Consideration Securities Registration and Delivery Instructions:**

Registered Name of Shareholder:  
Address of Record for Shareholder:  
Delivery Address (if different from address of record):  
Contact Person Name:  
Contact Person Telephone:  
Contact Person Email Address:

The undersigned agrees to be bound by the terms and conditions of the Agreement, and by signing where indicated, the PrivCo Securityholder agrees to transfer to the Issuer all of the PrivCo Securities it owns, as described in Schedule A.

Corporate Name:  
[Redacted – Private Information]

Per: [Redacted – Private Information]  
*Authorized Signatory*

Name: [Redacted – Private Information]

Title: Business Owner / Director

**SCHEDULE B - Signatures of PrivCo Securityholders (Corporation)**

This Schedule B is incorporated by reference and deemed to form part of this Agreement dated as of the Effective Date.

**PrivCo Securityholder Details:**

Name of PrivCo Securityholder: [Redacted – Private Information] \_\_\_\_\_

Address of PrivCo Securityholder: \_\_\_\_\_  
[Redacted – Private Information] \_\_\_\_\_

**Issuer Consideration Securities Registration and Delivery Instructions:**

Registered Name of Shareholder: \_\_\_\_\_

Address of Record for Shareholder: \_\_\_\_\_  
\_\_\_\_\_

Delivery Address (if different from address of record): \_\_\_\_\_  
\_\_\_\_\_

Contact Person Name: \_\_\_\_\_

Contact Person Telephone: \_\_\_\_\_

Contact Person Email Address: \_\_\_\_\_  
\_\_\_\_\_

The undersigned agrees to be bound by the terms and conditions of the Agreement, and by signing where indicated, the PrivCo Securityholder agrees to transfer to the Issuer all of the PrivCo Securities it owns, as described in Schedule A.

Corporate Name:  
[Redacted – Private Information] \_\_\_\_\_

Per: [Redacted – Private Information] \_\_\_\_\_  
*Authorized Signatory*

Name: [Redacted – Private Information] \_\_\_\_\_

Title: Principal \_\_\_\_\_



**SCHEDULE B - Signatures of PrivCo Securityholders (Corporation)**

This Schedule B is incorporated by reference and deemed to form part of this Agreement dated as of the Effective Date.

**PrivCo Securityholder Details:**

Name of PrivCo Securityholder: [Redacted – Private Information] \_\_\_\_\_

Address of PrivCo Securityholder: \_\_\_\_\_  
[Redacted – Private Information] \_\_\_\_\_

**Issuer Consideration Securities Registration and Delivery Instructions:**

Registered Name of Shareholder: \_\_\_\_\_

Address of Record for Shareholder: \_\_\_\_\_  
\_\_\_\_\_

Delivery Address (if different from address of record): \_\_\_\_\_  
\_\_\_\_\_

Contact Person Name: \_\_\_\_\_

Contact Person Telephone: \_\_\_\_\_

Contact Person Email Address: \_\_\_\_\_  
\_\_\_\_\_

The undersigned agrees to be bound by the terms and conditions of the Agreement, and by signing where indicated, the PrivCo Securityholder agrees to transfer to the Issuer all of the PrivCo Securities it owns, as described in Schedule A.

Corporate Name:  
[Redacted – Private Information] \_\_\_\_\_

Per: [Redacted – Private Information] \_\_\_\_\_  
*Authorized Signatory*

Name: [Redacted – Private Information] \_\_\_\_\_

Title: President \_\_\_\_\_

**SCHEDULE B - Signatures of PrivCo Securityholders (Corporation)**

This Schedule B is incorporated by reference and deemed to form part of this Agreement dated as of the Effective Date.

**PrivCo Securityholder Details:**

Name of PrivCo Securityholder: [Redacted – Private Information]

Address of PrivCo Securityholder: [Redacted – Private Information]

**Issuer Consideration Securities Registration and Delivery Instructions:**

Registered Name of Shareholder: \_\_\_\_\_

Address of Record for Shareholder: \_\_\_\_\_

Delivery Address (if different from address of record): \_\_\_\_\_

Contact Person Name: \_\_\_\_\_

Contact Person Telephone: \_\_\_\_\_

Contact Person Email Address: \_\_\_\_\_

The undersigned agrees to be bound by the terms and conditions of the Agreement, and by signing where indicated, the PrivCo Securityholder agrees to transfer to the Issuer all of the PrivCo Securities it owns, as described in Schedule A.

Corporate Name:  
[Redacted – Private Information]

Per: [Redacted – Private Information]  
*Authorized Signatory*

Name: [Redacted – Private Information]

Title: CEO

**SCHEDULE B - Signatures of PrivCo Securityholders (Corporation)**

This Schedule B is incorporated by reference and deemed to form part of this Agreement dated as of the Effective Date.

**PrivCo Securityholder Details:**

Name of PrivCo Securityholder: [Redacted – Private Information]  
Address of PrivCo Securityholder: [Redacted – Private Information]  
\_\_\_\_\_

**Issuer Consideration Securities Registration and Delivery Instructions:**

Registered Name of Shareholder: \_\_\_\_\_  
Address of Record for Shareholder: \_\_\_\_\_  
\_\_\_\_\_

Delivery Address (if different from address of record): \_\_\_\_\_  
\_\_\_\_\_

Contact Person Name: \_\_\_\_\_

Contact Person Telephone: \_\_\_\_\_

Contact Person Email Address: \_\_\_\_\_  
\_\_\_\_\_

The undersigned agrees to be bound by the terms and conditions of the Agreement, and by signing where indicated, the PrivCo Securityholder agrees to transfer to the Issuer all of the PrivCo Securities it owns, as described in Schedule A.

Corporate Name:  
[Redacted – Private Information]

Per: [Redacted – Private Information]  
*Authorized Signatory*

Name: [Redacted – Private Information]

Title: President

**SCHEDULE B - Signatures of PrivCo Securityholders (Corporation)**

This Schedule B is incorporated by reference and deemed to form part of this Agreement dated as of the Effective Date.

**PrivCo Securityholder Details:**

Name of PrivCo Securityholder: [Redacted – Private Information]  
Address of PrivCo Securityholder: [Redacted – Private Information]

**Issuer Consideration Securities Registration and Delivery Instructions:**

Registered Name of Shareholder:  
Address of Record for Shareholder:  
Delivery Address (if different from address of record):  
Contact Person Name:  
Contact Person Telephone:  
Contact Person Email Address:

The undersigned agrees to be bound by the terms and conditions of the Agreement, and by signing where indicated, the PrivCo Securityholder agrees to transfer to the Issuer all of the PrivCo Securities it owns, as described in Schedule A.

Corporate Name:  
[Redacted – Private Information]

Per: [Redacted – Private Information]  
*Authorized Signatory*

Name: [Redacted – Private Information]  
Title: President & CEO

**SCHEDULE B - Signatures of PrivCo Securityholders (Corporation)**

This Schedule B is incorporated by reference and deemed to form part of this Agreement dated as of the Effective Date.

**PrivCo Securityholder Details:**

Name of PrivCo Securityholder: [Redacted – Private Information]  
Address of PrivCo Securityholder: [Redacted – Private Information]

**Issuer Consideration Securities Registration and Delivery Instructions:**

Registered Name of Shareholder:  
Address of Record for Shareholder:  
Delivery Address (if different from address of record):  
Contact Person Name:  
Contact Person Telephone:  
Contact Person Email Address:

The undersigned agrees to be bound by the terms and conditions of the Agreement, and by signing where indicated, the PrivCo Securityholder agrees to transfer to the Issuer all of the PrivCo Securities it owns, as described in Schedule A.

Corporate Name:  
[Redacted – Private Information]

Per: [Redacted – Private Information]  
*Authorized Signatory*

Name: [Redacted – Private Information]

Title: Director

**SCHEDULE B - Signatures of PrivCo Securityholders (Corporation)**

This Schedule B is incorporated by reference and deemed to form part of this Agreement dated as of the Effective Date.

**PrivCo Securityholder Details:**

Name of PrivCo Securityholder: [Redacted – Private Information]  
Address of PrivCo Securityholder: [Redacted – Private Information]

**Issuer Consideration Securities Registration and Delivery Instructions:**

Registered Name of Shareholder:  
Address of Record for Shareholder:  
Delivery Address (if different from address of record):  
Contact Person Name:  
Contact Person Telephone:  
Contact Person Email Address:

The undersigned agrees to be bound by the terms and conditions of the Agreement, and by signing where indicated, the PrivCo Securityholder agrees to transfer to the Issuer all of the PrivCo Securities it owns, as described in Schedule A.

Corporate Name:  
[Redacted – Private Information]

Per: [Redacted – Private Information]  
*Authorized Signatory*

Name: [Redacted – Private Information]

Title: Director

**SCHEDULE B - Signatures of PrivCo Securityholders (Corporation)**

This Schedule B is incorporated by reference and deemed to form part of this Agreement dated as of the Effective Date.

**PrivCo Securityholder Details:**

Name of PrivCo Securityholder: [Redacted – Private Information]  
Address of PrivCo Securityholder: [Redacted – Private Information]

**Issuer Consideration Securities Registration and Delivery Instructions:**

Registered Name of Shareholder:  
Address of Record for Shareholder:  
Delivery Address (if different from address of record):  
Contact Person Name:  
Contact Person Telephone:  
Contact Person Email Address:

The undersigned agrees to be bound by the terms and conditions of the Agreement, and by signing where indicated, the PrivCo Securityholder agrees to transfer to the Issuer all of the PrivCo Securities it owns, as described in Schedule A.

Corporate Name:  
[Redacted – Private Information]

Per: [Redacted – Private Information]  
*Authorized Signatory*

Name: [Redacted – Private Information]

Title: President

**SCHEDULE C  
ACKNOWLEDGMENT AND AGREEMENT TO BE BOUND**

**TO: HYTN BEVERAGE CORP. (“PrivCo”)**

**AND TO: THE HOLDERS OF THE SECURITIES OF PRIVCO (the “PrivCo Securityholders”)**

**AND TO: MOUNT DAKOTA ENERGY CORP. (“MMO”)**

I, the beneficial owner of securities listed in the attached Exhibit “A” (the “Securities”), acknowledge that the Securities are subject to a securities exchange agreement dated January 31, 2022 (the “Agreement”) among PrivCo, MMO and the PrivCo Securityholders.

Terms capitalized but not defined herein shall have the meaning given to them in the Agreement.

For other good and valuable consideration, I agree to be bound by the Agreement in respect of the Securities as if I were an original signatory to the Agreement.

Dated at \_\_\_\_\_, \_\_\_\_\_ on \_\_\_\_\_, 2021.

Where the beneficial owner of the Securities is an individual:

Signed, sealed and delivered by	)	
in the presence of:	)	
	)	
	)	
_____	)	_____
Signature of Witness	)	
	)	
	)	
_____	)	
Name of Witness	)	
	)	

Where the beneficial owner of the Securities is a corporation:

Per: \_\_\_\_\_



**Exhibit "A" to Schedule "C"**

<b>Name and Address of PrivCo Securityholder</b>	<b>Number of PrivCo Shares</b>	<b>Number of PrivCo Warrants</b>	<b>Number of Issuer Consideration Shares to be Issued</b>	<b>Number of Issuer Consideration Warrants to be Issued</b>