

CARPINCHO CAPITAL CORP.

CONFIDENTIAL

February 13, 2018

MM Development Company, LLC
4850 West Sunset Road, Unit 130
Las Vegas, NV 89118

Attention: Robert A. Groesbeck, Manager, and Larry Scheffler, Manager

Dear Sirs:

Re: Acquisition of Issued and Outstanding Securities of TargetCo

This letter agreement (“**Letter Agreement**”) sets out our mutual understanding of the basic terms and conditions upon which Carpincho Capital Corp. (“**Acquiror**”) will acquire all of the issued and outstanding securities of MM Development Company, LLC (“**MMDC**”) or a successor entity (as applicable, “**TargetCo**”). Acquiror is a “reporting issuer” in the provinces of Alberta, Ontario, Quebec, Nova Scotia, Prince Edward Island, and Newfoundland and Labrador (collectively, the “**Reporting Provinces**”), and it is intended that the Transaction (as defined herein) will result in a reverse take-over of the Acquiror by TargetCo and its securityholders and the listing of the shares of the combined company on the Canadian Securities Exchange (“**CSE**”) as of the effective time of the Transaction.

The acceptance of this Letter Agreement will be followed by the negotiation of definitive documentation (the “**Transaction Documents**”), including a definitive agreement (the “**Definitive Agreement**”) setting forth the detailed terms of the Transaction and containing the terms and conditions set out in this Letter Agreement and such other terms and conditions as are customary for transactions of the nature and magnitude contemplated herein. All documentation shall be in form and content satisfactory to each of Acquiror and TargetCo, each acting reasonably.

Subject to the conditions set forth herein, the terms of this Letter Agreement are intended to create binding obligations on Acquiror and MMDC.

Terms of Transaction and Related Matters

1. Prior to the completion of the Transaction, MMDC may complete a corporate reorganization (the “**Reorganization**”). In the event MMDC completes a Reorganization prior to the completion of the Transaction (as defined herein), Acquiror will acquire a successor entity to MMDC owning the former business and assets of MMDC on the same terms described herein.
2. Subject to the terms hereof, Acquiror and TargetCo will enter into a business combination by way of an amalgamation, arrangement, takeover bid, share purchase or other similar form of transaction (the “**Transaction**”). It is currently anticipated that the Transaction will occur by way of a three-cornered amalgamation involving a wholly-owned subsidiary of Acquiror (“**Subco**”) and TargetCo (the “**Amalgamation**”); however, the parties agree that the final structure of the business combination is subject to receipt of final tax, corporate and securities law advice for both Acquiror and MMDC.

3. It is understood that immediately prior to the Closing Date (as hereinafter defined) and prior to the conversion of the Subscription Receipts (as defined herein), 25,300,000 common shares of TargetCo (the “**TargetCo Shares**”) and 49,700,000 shares of TargetCo (“**Non-Voting TargetCo Shares**”) will be issued and outstanding. TargetCo will have no convertible securities outstanding as at the Closing Date other than as described in section 12(b).
4. It is understood that the authorized share capital of Acquiror consists of an unlimited number of common shares without nominal or par value (the “**Pre-Consolidation Acquiror Shares**”) of which, immediately prior to the Closing Date, 6,000,000 Pre-Consolidation Acquiror Shares will be issued and outstanding. Acquiror will have no convertible securities outstanding as at the Closing Date.
5. The Acquiror agrees, from the date hereof until the earlier of the termination of this Letter Agreement and the completion of the Transaction, not to expend, commit to expend or otherwise incur, any amounts except as is required to maintain its status as a reporting issuer in good standing in the Reporting Provinces, or as otherwise required in connection with the transactions contemplated in this Letter Agreement.
6. Prior to the closing of the Transaction:
 - (a) the Acquiror will seek shareholder approval to
 - (i) effect a change of its name to Planet 13 Holdings Inc. or such other name as may be requested by TargetCo and acceptable to the applicable regulatory authorities (the “**Name Change**”);
 - (ii) consolidate (the “**Consolidation**”) its issued and outstanding Pre-Consolidation Acquiror Shares on the basis of 5.5 new common shares (each, an “**Acquiror Share**”) for every six Pre-Consolidation Shares outstanding; and
 - (iii) amend its articles (the “**Articles Amendment**”) to create a class of restricted voting shares (the “**Acquiror Restricted Shares**”), each of which shall be convertible into Acquiror Shares on a one-for-one basis. The Acquiror Restricted Shares shall have full voting rights on all matters other than with respect to the election of directors; and
 - (b) Acquiror will provide TargetCo with such information and assistance that TargetCo reasonably requires in order to arrange for Acquiror to have in place, on the Closing Date, Directors and Officers liability insurance applicable to the MMDC Management Nominees (as hereinafter defined) at the time of their appointment.
7. Pursuant to the Transaction, the holders of the issued and outstanding TargetCo Shares will each receive one Acquiror Share for each TargetCo Share held immediately prior to the completion of the Transaction, and the holders of the issued and outstanding Non-Voting TargetCo Shares will each receive one Acquiror Restricted Share for each Non-Voting TargetCo Share held immediately prior to the completion of the Transaction (the “**Exchange Ratio**”). The deemed exchange price for each of the Acquiror Restricted Shares and Acquiror Shares to be issued in exchange for the TargetCo Shares and Non-Voting TargetCo Shares shall be C\$1.00, or such other price as permitted by governing regulatory bodies, including without limitation, the CSE.
8. Prior to the completion of the Transaction, a brokered private placement equity financing of subscription receipts (“**Subscription Receipts**”) shall be completed at a price of C\$1.00 per Subscription Receipt, resulting in aggregate gross proceeds of not less than C\$25,000,000 (the

“**Private Placement**”). Each share to be issued on conversion of the Subscription Receipts shall be convertible into one Acquiror Share in connection with the completion of the Transaction. It is anticipated that Beacon Securities Limited and Canaccord Genuity Corp. will act as co-lead agents in connection the Private Placement, with the compensation payable to the agents in the Private Placement and other terms and conditions set forth in a separate agreement or agreements between TargetCo and the agents.

9. MMDC acknowledges and agrees that it shall forthwith commence the preparation of financial statements (the “**Financial Statements**”) as required by the CSE and applicable securities law, which will include audited annual financial statements for its most recently completed two fiscal years and if, and as required, interim financial statements for its most recently completed interim period following its most recently completed fiscal year, all as reviewed by the auditors of MMDC and as required by, and in accordance with, applicable securities regulations and the regulations of the CSE.
10. Prior to the completion of the Transaction, Acquiror shall seek shareholder approval for, among other matters: (i) the Name Change; (ii) the election of a new slate of directors of the Acquiror conditional on the Transaction being completed; (iii) the Consolidation; (iv) the Articles Amendment; and (v) if required by the CSE, the approval of the Transaction. Upon closing of the Transaction, the board of Acquiror shall be reconstituted in accordance with the instructions of TargetCo and all directors and officers of the Acquiror shall resign and be replaced by nominees of TargetCo, in a manner that complies with the requirements of the CSE and applicable securities and corporate laws. The board nominees to be appointed by TargetCo at the time the Transaction is completed shall consist of two of MMDC’s current directors, as well as three independent directors.

Conditions Precedent

11. The implementation of this Letter Agreement and the completion of the Transaction shall be subject to the following conditions precedent being satisfied prior to the date of closing of the Transaction (the “**Closing Date**”):
 - (a) Conditions precedent for the benefit of Acquiror:
 - (i) completion of the Private Placement;
 - (ii) receipt of all required approvals and consents for the Transaction and all related matters and for the Transaction Documents, including without limitation:
 - A. the receipt of all requisite approvals of Acquiror’s and TargetCo’s securityholders, as required by the CSE or applicable corporate or securities laws;
 - B. the approval of CSE for the listing of the Acquiror Shares; and
 - C. the approval of any third parties from whom MMDC or TargetCo must obtain consent including any lenders or financial institutions, Nevada State and local regulators, licensors and strategic partners;
 - (iii) no material adverse change shall have occurred in the business, results of operations, assets, liabilities, financial condition or affairs of MMDC or TargetCo, financial or otherwise, between the date that an external auditor issues an opinion

as to the financial statements of TargetCo (in the case of TargetCo) and the completion of the Transaction;

- (iv) the representations and warranties of MMDC contained herein and the representations and warranties of TargetCo to be contained in the Transaction Documents shall be deemed to have been made again on the Closing Date and shall be true and correct in all material respects as of the date hereof (in the case of MMDC) and as of the Closing Date, other than as a result of any change in the issued and outstanding securities of TargetCo, as applicable, as expressly contemplated hereby;
 - (v) there being no prohibition of Canadian or Nevada State laws against the Transaction;
 - (vi) no inquiry or investigation (whether formal or informal) in relation to TargetCo or their respective directors, managers, or officers, as applicable, shall have been commenced or threatened by the CSE, any relevant securities commission or similar Canadian or Nevada State and or local regulatory body having jurisdiction, such that the outcome of such inquiry or investigation could have a material adverse effect on Acquiror after giving effect to the Transaction; and
 - (vii) MMDC and TargetCo shall be in compliance in all material respects with the terms of this Letter Agreement and the Transaction Documents.
- (b) Conditions Precedent for the Benefit of MMDC:
- (i) completion of the Private Placement;
 - (ii) receipt of all required approvals and consents to both the Transaction and all related matters, including without limitation,
 - A. the receipt of all requisite approvals of Acquiror's and TargetCo's securityholders, as required by the CSE or applicable corporate or securities laws; and
 - B. the approval of CSE for the listing of the Acquiror Shares;
 - (iii) each of the Acquiror Restricted Shares issued in consideration for the Non-Voting TargetCo Shares and the Acquiror Shares issued in consideration for the TargetCo Shares shall be issued as fully paid and non-assessable shares in the capital of the Acquiror, free and clear of any and all encumbrances, liens, charges, demands of whatsoever nature, except those imposed pursuant to statutory "hold periods" and escrow restrictions of the CSE or applicable securities laws;
 - (iv) management nominees of MMDC (the "**MMDC Management Nominees**") shall have been duly appointed as the management of Acquiror as of the time of closing of the Transaction;
 - (v) no material adverse change shall have occurred in the business, results of operations, assets, liabilities, financial condition or affairs of Acquiror, financial or otherwise, between the date of signing this Letter Agreement and the completion of the Transaction except for the expenditure of funds required to maintain its status as a reporting issuer in good standing in the Reporting Provinces, or as

otherwise required in connection with the transactions contemplated in this Letter Agreement;

- (vi) the representations and warranties of Acquiror contained herein and in the Transaction Documents shall be deemed to have been made again on the Closing Date and shall be true and correct in all material respects as of all relevant dates, other than as a result of any change in the issued and outstanding securities of Acquiror as expressly contemplated hereby;
 - (vii) all liabilities of Acquiror showing on its unaudited September 30, 2017 balance sheet or incurred since that date shall have been eliminated, other than liabilities incurred in connection with the transactions contemplated herein or incurred following the date hereof to maintain the Acquiror's status as a reporting issuer not in default in the Reporting Provinces;
 - (viii) there being no prohibition at Canadian or Nevada State and local law against consummation of the Transaction;
 - (ix) no inquiry or investigation (whether formal or informal) in relation to Acquiror or its directors or officers, shall have been commenced or threatened by any officer or official of the CSE or any securities commission, or similar regulatory body having jurisdiction such that the outcome of such inquiry or investigation could have a material adverse effect on TargetCo after giving effect to the Transaction;
 - (x) Acquiror shall be in compliance in all material respects with the terms of this Letter Agreement and the Transaction Documents;
 - (xi) all officers and members of management of Acquiror shall have delivered resignations in form and substance acceptable to TargetCo, acting reasonably, and no termination, severance or other fees shall be payable to any such officers or members of management of Acquiror in connection with such resignations;
 - (xii) the CSE shall not have objected to the appointment of the TargetCo nominees to the board of directors of Acquiror, or of the MMDC Management Nominees to the management of Acquiror, each upon closing of the Transaction; and
 - (xiii) all convertible securities of Acquiror outstanding prior to the Closing Date shall have been converted and Acquiror shall not have outstanding (following such conversion), no more than 6,000,000 Pre-Consolidation Acquiror Shares.
- (c) Conditions Precedent and Right of Waiver:
- (i) The conditions precedent set out in Sections 11(a) are inserted for the sole benefit of Acquiror and the conditions precedent set out in Section 11(b) are inserted for the sole benefit of MMDC. Subject to Section 12 below, any of the parties may refuse to proceed with the closing of the Transaction if the conditions precedent inserted for its or their benefit are not fulfilled to its or their reasonable satisfaction prior to the Closing Date, and, except for Section 18, it or they shall incur no liability to any other party by reason of such refusal.
 - (ii) The said conditions precedent, where not otherwise required by law, may be waived in whole or in part by the party or parties for whose benefit they are inserted in that party's or those parties' absolute discretion. No such waiver shall

be of any effect unless it is in writing signed by the party or parties granting the waiver.

Representations and Warranties of MMDC

12. MMDC represents and warrants to Acquiror, both as of the date hereof and as of the Closing Date, as follows:
- (a) the issued share capital of TargetCo shall consist of a total of 25,300,000 TargetCo Shares and 49,700,000 Non-Voting TargetCo Shares, which will be validly issued and outstanding as fully paid and non-assessable shares in the capital of TargetCo immediately prior to the closing of the Transaction;
 - (b) other than the issue of stock based compensation awards to management, directors and other service providers exercisable at a price per share not less than the effective price per share of the Private Placement and shareholder loans convertible into TargetCo Shares or Non-Voting TargetCo Shares at a price per share not less than the effective price per share of the Private Placement, no person will have, any agreement, right or option (whether direct, indirect or contingent or whether pre-emptive, contractual or by law) to purchase, or otherwise acquire any of the unissued securities in the capital of TargetCo or for the issue of any other securities of any nature or kind of TargetCo
 - (c) TargetCo shall be incorporated and existing under the laws of the State of Nevada, and shall not be a reporting issuer or the equivalent in any jurisdiction;
 - (d) there are no claims, actions, suits, judgments, litigation or proceedings outstanding, pending against or affecting TargetCo, and other than the items disclosed in Schedule A to this Letter, MMDC is not aware of any existing ground on which any such claim, action, suit, judgment, litigation or proceeding might be commenced;
 - (e) MMDC has the corporate power and authority to enter into this Letter Agreement and to carry out the transactions contemplated hereby, subject to approvals from Nevada State and local regulatory agencies, and the execution and delivery of this Letter Agreement and the completion of the transactions contemplated hereby have been duly and validly authorized by all necessary corporate action on the part of MMDC, subject to the receipt of all applicable member approvals of MMDC;
 - (f) other than the approval of the CSE, the State of Nevada, Clark County, and Nye County, and the securityholders of TargetCo, no permit, authorization or consent of any party is necessary for the consummation by TargetCo of the Transaction, and the execution and delivery of this Letter Agreement and the consummation by TargetCo of the Transaction will not result in a violation or breach of, or constitute (with or without due notice or lapse of time or both) a default under any indenture, agreement or other instrument to which TargetCo is a party or by which it is bound; and
 - (g) no person or corporation shall be entitled to a finder's fee or other form of compensation from MMDC or TargetCo with respect to the Transaction.

Representations and Warranties of Acquiror

13. Acquiror represents and warrants to MMDC, both as of the date hereof, and as of the Closing Date (except as otherwise noted below), as follows:

- (a) 5,000,000 Pre-Consolidation Acquiror Shares are validly issued and outstanding as fully paid and non-assessable shares in the capital of Acquiror as of the date hereof and 6,000,000 Pre-Consolidation Acquiror Shares will be validly issued and outstanding as fully paid and non-assessable shares in the capital of Acquiror as of the Closing Date immediately prior to giving effect to the Transaction;
- (b) no person has any agreement, right or option (whether direct, indirect or contingent or whether pre-emptive, contractual or by law) to purchase or otherwise acquire any of the unissued shares in the capital of Acquiror or for the issue of any other unissued securities of any nature or kind of Acquiror other than, as of the date hereof, 1,000,000 special warrants (“**Acquiror Special Warrants**”) convertible into 1,000,000 Pre-Consolidation Acquiror Shares prior to the Closing Date;
- (c) Acquiror is incorporated and existing under the federal laws of Canada and is a “reporting issuer” within the meaning of the *Securities Act* (Alberta), the *Securities Act* (Ontario), the *Securities Act* (Quebec), the *Securities Act* (Nova Scotia), the *Securities Act* (Prince Edward Island) and the *Securities Act* (Newfoundland and Labrador), and no securities commission has issued any order preventing the Transaction or the trading of any securities of Acquiror;
- (d) there are no claims, actions, suits, judgments, litigation or proceedings outstanding, pending against or affecting Acquiror, and Acquiror is not aware of any existing ground on which any such claim, action, suit, judgment, litigation or proceeding might be commenced;
- (e) Acquiror has the corporate power and authority to enter into this Letter Agreement and to carry out the transactions contemplated hereby and the execution and delivery of this Letter Agreement and the completion of the transactions contemplated hereby have been duly and validly authorized by all necessary corporate action on the part of Acquiror, subject to the receipt of all requisite shareholder approvals of Acquiror;
- (f) other than the approval of the CSE, Nevada State, Clark County, Nye County, and the shareholders of Acquiror, no permit, authorization or consent of any party is necessary for the consummation by Acquiror of the Transaction, and the execution and delivery of this Letter Agreement and the consummation by Acquiror of the Transaction will not result in a violation or breach of, or constitute (with or without due notice or lapse of time or both) a default under any indenture, agreement or other instrument to which Acquiror is a party or by which it is bound;
- (g) since October 18, 2010, Acquiror has carried on no active business other than seeking assets or businesses with good growth potential to merge with or acquire; and
- (h) no person or corporation is entitled to a finder’s fee or other form of compensation from Acquiror with respect to the Private Placement or the Transaction.

Standstill and Agreement to Support Transactions

14. MMDC hereby agrees from the date hereof until the Termination Date (as hereinafter defined):

- (a) not to initiate, propose, assist or participate in any activities or solicitations in opposition to or in competition with the Private Placement or the Transaction and, without limiting the generality of the foregoing, not to induce or attempt to induce any other person to initiate any shareholder proposal, acquisition of membership interests of MMDC or TargetCo

Shares or any other form of transaction inconsistent with completion of the Transaction, other than the items disclosed on Schedules A and B to this Letter Agreement, not complete any fundraising activities and not to take actions of any kind which may reduce the likelihood of success of the Transaction, except as required by statutory law. For greater certainty, this Section 14(a) shall not apply to the Reorganization and the Private Placement to be completed prior to the Closing Date;

- (b) to use its reasonable commercial efforts to complete the Transaction and to not take any action contrary to or in opposition to the Transaction, except as required by statutory law;
 - (c) not to issue, or cause TargetCo to issue, any debt or equity or other securities at an effective price or effective conversion or exercise price less than the effective price of the Private Placement, other than potential or proposed transactions as disclosed on Schedule B to this Letter, without the prior written consent of Acquiror, other than in connection with the Reorganization;
 - (d) other than in connection with the Reorganization, not to alter or amend MMDC's constating documents or TargetCo's articles or by-laws in any manner which may adversely affect the success of the Transaction, except as is agreed to by Acquiror in writing or as strictly required to give effect to the matters contemplated herein;
 - (e) other than in connection with the Reorganization, not to enter into any transaction or material contract not in the ordinary course of business and not to engage in any business enterprise or activity different from that carried on as of the date hereof, without the prior written consent of Acquiror;
 - (f) to use its reasonable commercial efforts to obtain any third parties approvals required in respect of the Transaction, including any lenders or financial institutions, Nevada State and local regulators, licensors and strategic partners; and
 - (g) to cooperate fully with Acquiror and to use all reasonable commercial efforts to assist Acquiror in its efforts to acquire all of the TargetCo Shares, unless such cooperation and efforts would subject TargetCo to liability or would be in breach of applicable statutory and regulatory requirements.
15. Acquiror hereby agrees from the date hereof until the Termination Date (as hereinafter defined):
- (a) not to initiate, propose, assist or participate in any activities or solicitations in opposition to or in competition with the Transaction and, without limiting the generality of the foregoing, not to take any actions to give effect to the completion of any transactions other than the Transaction, not induce or attempt to induce any other person to initiate any shareholder proposal, acquisition of Pre-Consolidation Acquiror Shares or any other form of transaction inconsistent with completion of the Transaction and not to take actions of any kind which may reduce the likelihood of success of the Transaction, except as required by statutory law;
 - (b) to use its reasonable commercial efforts to cause all Acquiror shareholders to vote their Pre-Consolidation Acquiror Shares in favour of the Transaction and related matters, and otherwise approve the Transaction and related matters as required, and otherwise take all reasonable actions to complete the Transaction;
 - (c) not to issue any debt or equity or other securities other than upon the exercise of the Acquiror Special Warrants without the prior written consent of MMDC or TargetCo;

- (d) not to carry on any business except as contemplated herein;
- (e) not to declare or pay any dividends or distribute any of Acquiror's property or assets to shareholders;
- (f) not to alter or amend Acquiror's articles or by-laws except as contemplated herein;
- (g) to use its reasonable commercial efforts to obtain any third parties approvals required in respect of the Transaction, including any lenders or financial institutions, Nevada and local regulators, licensors and strategic partners; and
- (h) to cooperate fully with MMDC and TargetCo, and to use all reasonable commercial efforts to otherwise complete the Transaction, unless such cooperation and efforts would subject Acquiror to liability or would be in breach of applicable statutory and regulatory requirements.

Escrow

16. The parties acknowledge that a portion of the Acquiror Shares and Acquiror Restricted Shares to be issued as part of the Transaction may be subject to escrow provisions which shall be imposed by the policies of the CSE. The parties further acknowledge that these escrowed Acquiror Shares and Acquiror Restricted Shares shall be held in escrow and released, over time, as determined by the CSE. The parties agree that the terms of the escrow shall be negotiated by counsel for Acquiror, in consultation with counsel for TargetCo, and the CSE, and the parties hereto agree to accept such terms as imposed by the CSE provided such escrow is in compliance with the published policies of the CSE. All parties agree to use their reasonable commercial efforts to obtain the most advantageous escrow terms for securityholders of TargetCo.

Access to Information

17. Upon acceptance of this Letter Agreement and until the earlier of the completion of the Transaction or the Termination Date, each party will allow the other and its respective authorized representatives, including legal counsel and consultants, access to all information, books or records relevant for the purpose of the transactions contemplated herein. Each party hereto agrees that all information and documents so obtained will be kept confidential and the contents thereof will not be disclosed to any person without the prior written consent of the disclosing party.

Expenses

18. Acquiror will be responsible for the payment of up to C\$300,000 of expenses incurred by both Acquiror and TargetCo incurred in connection with the transactions contemplated herein. These expenses will be funded from the proceeds of Acquiror's private placement of Acquiror Special Warrants, which proceeds have been deposited into escrow and Acquiror will have no liability for expenses hereunder other than from the escrowed funds. Each party hereto shall thereafter be responsible for its own costs and expenses incurred with respect to the transactions contemplated herein including, without limitation, all costs and expenses incurred prior to the date of this Letter Agreement and all reasonable legal and accounting fees and disbursements relating to preparing the Transaction Documents or otherwise relating to the transactions contemplated herein. Notwithstanding the foregoing, the parties agree that TargetCo and its counsel shall be primarily responsible for preparation of all documentation and filings in connection with the Transaction and the payment of all related costs and fees, including, without limitation, the Definitive Agreement, all shareholder meetings and the application to the CSE for the listing of the Acquiror Shares following completion of the Transaction, while TargetCo and its counsel shall perform a review

function and cooperate and assist in the preparation of such documentation and required filings; however, each party shall permit the other party and its counsel to review the preparation of all documentation to be sent to shareholders of such party or otherwise used in connection with the approval of the Transaction by the shareholders of such party and the CSE.

Closing and Good Faith Negotiations

19. Acquiror and MMDC agree to proceed diligently and in good faith to negotiate and settle the terms of the Transaction Documents for execution, and to complete all transactions contemplated herein as soon as possible.

Confidentiality

20. No disclosure or announcement, public or otherwise, in respect of this Letter Agreement or the transactions contemplated herein or therein will be made by any party without the prior agreement of the other party as to timing, content and method, hereto, provided that the obligations herein will not prevent any party from making, after consultation with the other party, such disclosure as its counsel advises is required by applicable law or the rules and policies of the CSE.
21. Unless and until the transactions contemplated in this Letter Agreement have been completed, except with the prior written consent of the other party or as required by law, each of the parties hereto and their respective employees, officers, directors, shareholders, agents, advisors and other representatives will hold all information received from the other party in strictest confidence, except such information and documents available to the public or as are required to be disclosed by applicable law.
22. All such information in written form and documents will be returned to the party originally delivering them in the event that the transactions provided for in this Letter Agreement are not consummated.

Termination

23. This Letter Agreement shall terminate with the parties having no obligations to each other, other than in respect of the cost and expense provisions contained in Section 18, the confidentiality provisions contained in Sections 20, 21 and 22, on the day (the “**Termination Date**”) on which the earliest of the following events occurs:
- (a) written agreement of the parties to terminate the Letter Agreement;
 - (b) if the Definitive Agreement is not entered into on or prior to March 15, 2018;
 - (c) marketing of the Private Placement has not commenced by March 15, 2018;
 - (d) the Private Placement is not completed on or prior to April 30, 2018 provided that if the lead agent for the Private Placement has confirmed in writing prior to April 30, 2018 that commitments for the full Private Placement have been received but closing has not yet occurred, such date will be extended to May 6, 2018;
 - (e) any applicable regulatory authority having notified in writing either Acquiror or MMDC (or TargetCo) that it will not permit the Transaction to proceed;

- (f) securityholders of TargetCo or Acquiror not approving the Transaction or related matters necessary to complete the Transaction in accordance with all applicable law and the regulations of the CSE; or
- (g) the Transaction is not completed on or before June 30, 2018.

Miscellaneous

- 24. This Letter Agreement, the Transaction Documents and other agreements contemplated herein and therein, if entered into, shall be governed in all respects, including validity, interpretation and effect, by laws of Ontario and the undersigned hereby irrevocably attorn to the jurisdiction of the Courts of the Province of Ontario in respect of any matter arising hereunder or in connection herewith.
- 25. All dollar amounts expressed herein are in Canadian currency, unless otherwise specified.
- 26. This Letter Agreement will be binding upon, and will enure to the benefit of and be enforceable by the parties hereto and their respective successors, executors and administrators. No assignment of this Letter Agreement will be permitted without the written consent of the other party.
- 27. This Letter Agreement may be executed and evidenced by a facsimile or PDF email copy thereof and all such counterparts or facsimile or PDF counterparts shall constitute one document.

If the terms of this Letter Agreement are acceptable, please communicate your acceptance by executing the duplicate copy hereof in the appropriate space below and returning such executed copy to us by facsimile to the attention of the undersigned.

Yours very truly

CARPINCHO CAPITAL CORP.

Per: "Lonnie Kirsh"
Authorized Signatory

THE TERMS OF THIS LETTER AGREEMENT are hereby accepted as of the 13th day of February, 2018.

MM DEVELOPMENT COMPANY, LLC

Per: "Larry Scheffler"
Authorized Signatory

Schedule A to the Letter Agreement:

1) Loans from Bert Adams

MMDC is currently owned by Robert Groesbeck and Larry Scheffler, each holding a 50% membership interest. They have been in negotiations with Bert Adams, a Nevada resident, to transfer a 10% interest in the Clark County medical dispensary license activities of MMDC, with no other activities or assets being contemplated in such transaction. Although Bert transferred approximately US \$400,000 to MMDC, the parties were not able to agree on a final form of Bert's cash transfer to MMDC, Bert Adams has never applied for or been approved as an owner of the MMDC medical marijuana dispensary license, and the parties never entered into an LLC or partnership agreement. MMDC has recorded the transfer of cash as a liability, and the owners of MMDC have tendered offers to issue options, post-Closing, to Bert Adams to resolve the classification of the cash transfers from Bert and remove this liability from the records of MMDC.

2) Construction Defect Litigation

MMDC is currently engaged in a Construction Defect Dispute related to leasehold improvements, with the estimated value of that liability not to exceed US \$25,000.

Schedule B to the Letter Agreement:

In return for the contribution of valuable intellectual property, genetic materials, and trade know-how owned by Chris Wren, MMDC has prepared an application to admit Chris Wren as a 6% owner as of January 1, 2018. Chris Wren is an integral part of the success of MMDC, and is primarily responsible for the cultivation and production activities conducted by MMDC. It is not anticipated that this transfer will have any impact on the ability of MMDC to consummate the Transaction in this Letter Agreement. The final ownership of MMDC upon approvals by Nevada State, Clark County, and Nye County will be 47% Robert Groesbeck, 47% Larry Scheffler, and 6% Chris Wren. Chris Wren will participate in the Transaction contemplated in the Letter Agreement.