

**AMENDMENT NO. 2 TO THE
EQUITY PARTICIPATION AND EARN-IN AGREEMENT**

THIS AGREEMENT is dated as of the 25th day of October, 2018 (the “**Amendment**”)

BETWEEN:

PUF VENTURES INC., a company duly existing under the laws of British Columbia and having its head office at 804 – 750 West Pender Street, Vancouver, British Columbia, V6C 2T7;

(hereinafter referred to as “**PUF**”)

AND:

1180782 B.C. LTD. operating as DELTA ORGANIC CANNABIS CORP., a company duly existing under the laws of British Columbia;

(hereinafter referred to as “**DOCC**”)

(collectively, the “**Parties**”)

WHEREAS:

A. PUF entered into an equity participation and earn-in agreement dated September 25, 2018 with DOCC, as amended on October 11, 2018, (the “**Agreement**”) whereby (i) DOCC agreed to acquire an equity interest in PUF by committing up to \$40 million for the furtherance of the lease obligations, construction expenses, and operational expenses of Houwelings Delta propagation facility and (ii) PUF granted to DOCC an option to acquire up to 19.9% of outstanding common shares of PUF and a 20% interest in Propagation Services Canada Inc., each pursuant to the terms and conditions thereof; and

B. The Parties wish to further amend the Agreement as more particularly set forth herein.

THIS AGREEMENT WITNESSES that in consideration of the mutual covenants and premises contained in this Agreement, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Sections 4.1 through 4.11 of the Agreement are hereby deleted in their entirety.
2. Section 5.2 of the Agreement is hereby deleted in its entirety and replaced with the following:

“Subject to the remainder of this Section 5.2, for so long as DOCC’s Percentage is not less than 10% (the “**Applicable Period**”), DOCC shall have a right (the “**Participation Right**”) to participate in any issuance by PUF of Equity Securities (each, an “**Equity Financing**”) such that DOCC’s Percentage after giving effect to the proposed Equity Financing (including, for greater certainty, any upsizing, over-allotment option or similar exercised by the underwriter(s) or agent(s)) shall be equal to DOCC’s Percentage immediately prior to the Equity Financing, all on the same terms and conditions offered to other subscribers of the Equity Financing, subject to and in compliance with the terms and conditions of this Section 5. Notwithstanding the foregoing, DOCC will not lose its Participation Right if DOCC’s Percentage falls below 10% as a result of one or more issuances of Equity Securities by PUF (a “**Dilutive Event**”) if DOCC is not permitted pursuant to Section 5 or applicable law to exercise its Participation Right to maintain its holdings in connection with such Dilutive Event unless,

following such Dilutive Event (1) if DOCC has the right pursuant to Section 5.7 to subscribe for additional Equity Securities following such Dilutive Event to increase DOCC's Percentage back to DOCC's Percentage that applied immediately prior to such Dilutive Event, DOCC fails (except to the extent prohibited by applicable Law) to exercise such right within the time period permitted by Section 5.7, or (2) if DOCC does not have any such right, DOCC's Percentage decreases further as a result of either (x) a sale or other disposition of Equity Securities by DOCC, or (y) the failure of DOCC to exercise its Participation Right or its right pursuant to Section 5.7, in each case to the extent available pursuant to Section 5 and applicable law, to maintain such DOCC's Percentage as a result of a subsequent Equity Financing."

3. The term "Board" in section 5.7(iii) is hereby deleted and replaced with the phrase "board of directors of PUF".
4. In all other respects the Agreement shall continue in full force and effect.
5. This Amendment shall enure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns.
6. This Amendment may be executed in any number of counterparts and by facsimile with the same effect as if all Parties to this Agreement had signed the same document and all counterparts will be construed together and will constitute one and the same instrument and any facsimile signature shall be taken as an original.

IN WITNESS WHEREOF the Parties have executed this Amendment as of the day and year first set above.

**1180782 B.C. LTD. operating as DELTA
ORGANIC CANNABIS CORP.**

By: "Christopher MacIntyre"
Name: Christopher MacIntyre
Title: President and Director

PUF VENTURES INC.

By: "Derek Ivany"
Name: Derek Ivany
Title: Chief Executive Officer