

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT is made as of the 6th day of June, 2019 and is

BETWEEN

AGRAFLORA ORGANICS INTERNATIONAL INC., a corporation incorporated under the laws of the Province of British Columbia ("**Purchaser**")

AND

ORGANIC FLOWER INVESTMENTS GROUP INC., a corporation incorporated under the laws of the Province of British Columbia ("**Vendor**")

WHEREAS pursuant to a binding letter of intent dated May 22, 2019 between the Vendor and the Purchaser, the Vendor has agreed to sell to the Purchaser and the Purchaser has agreed to purchase from the Vendor certain assets, property and undertakings as particularly set out at Schedule "A" attached hereto, upon and subject to the terms and conditions of this Agreement;

IN CONSIDERATION of the premises and mutual covenants hereinafter contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the parties hereto, the parties agree with one another as follows:

1. Definitions and Interpretation

1.1 *Definitions.* Whenever used in this Agreement, the following words and terms will have the respective meanings ascribed to them below:

1.1.1 "**Agreement**" means this Asset Purchase Agreement, all of the Schedules to this Asset Purchase Agreement and all instruments supplemental to or in amendment or confirmation of this Asset Purchase Agreement.

1.1.2 "**CanaBeer**" means 11353675 Canada Corp.

1.1.3 "**CanaBeer Shares**" means the Eight Thousand (8,000) common shares in the capital of CanaBeer, legally and beneficially owned by the Vendor, representing 80% of all issued and outstanding securities of CanaBeer.

1.1.4 "**CanadaCapCorp**" means 11122347 Canada Corp.

1.1.5 "**CanadaCapCorp Shares**" means the Eight Thousand (8,000) common shares in the capital of CanadaCapCorp, legally and beneficially owned by the Vendor, representing 80% of all issued and outstanding securities of CanadaCapCorp.

1.1.6 "**CanadaFormulationsCorp**" means 11406426 Canada Corp.

1.1.7 "**CanadaFormulationsCorp Shares**" means the Eight Thousand (8,000) common shares in the capital of CanadaFormulationsCorp representing 80% of all issued and outstanding securities of CanadaFormulationsCorp.

- 1.1.8 “**CanadaGumCorp**” means 11353705 Canada Corp.
- 1.1.9 “**CanadaGumCorp Shares**” means the Eight Thousand (8,000) common shares in the capital of CanadaGumCorp representing 80% of all issued and outstanding securities of CanadaGumCorp.
- 1.1.10 “**Canutra**” means Canutra Naturals Ltd.
- 1.1.11 “**Canutra Shares**” means Twenty-Six Million Five Hundred Eight-Four Thousand Eight Hundred Forty-One (26,584,841) common shares in the capital of Canutra representing 100% of all issued and outstanding securities of Canutra.
- 1.1.12 “**Closing**” means the completion of the purchase and sale of the Purchased Assets pursuant to this Agreement.
- 1.1.13 “**Closing Date**” means the date on which the purchase and sale of the Purchased Assets is completed, which shall be the date mutually agreed by the Purchaser and the Vendor.
- 1.1.14 “**Closing Time**” means 10:00 a.m. (Vancouver time) on the Closing Date or such other time on such date as the parties may agree as the time at which the Closing will take place.
- 1.1.15 “**Contractual Obligations**” means all of the obligations of the Vendor Subsidiaries as set out under the Subject Contracts.
- 1.1.16 “**Damages**” has the meaning given in Section 6.1.
- 1.1.17 “**DOC**” means 1180782 B.C. Ltd.
- 1.1.18 “**DOC Shares**” means the Twenty Million Six Hundred Twenty-Five One (20,625,001) common shares in the capital of DOC, legally and beneficially owned by the Vendor, representing 100% of all issued and outstanding securities of DOC.
- 1.1.19 “**Encumbrance**” means any lien, pledge, hypothecation, charge, mortgage, security interest, encumbrance, claim, infringement, interference, option, right of first refusal, pre-emptive right, community property interest or restriction of any nature (including any restriction on the voting of any security, any restriction on the transfer of any security or other asset (except statutory hold periods), any restriction on the receipt of any income derived from any asset, any restriction on the use of any asset and any restriction on the possession, exercise or transfer of any other attribute of ownership of any asset).
- 1.1.20 “**Exchange**” means the Canadian Securities Exchange.
- 1.1.21 “**Governmental Authority**” means any federal, provincial, state, municipal, county or regional government or governmental authority, domestic or foreign and

includes any department, commission, board, administrative agency or regulatory body thereof.

- 1.1.22 “**ICC European Distribution Agreement**” means the exclusive distribution agreement dated May 8, 2019 between the Vendor and ICC International Cannabis Corp.
- 1.1.23 “**IFRS**” means International Financial Reporting Standards.
- 1.1.24 “**Intellectual Property Rights**” means all patents and inventions, trademarks, trade names and styles, logos and designs, service marks, trade dress, industrial designs, internet domain names, world wide websites, website names, electronic mail addresses, copyrights, trade secrets, technical information, engineering procedures, designs, know-how and processes (whether confidential or otherwise), software, other industrial property (including applications for any of these) and other similar rights and properties.
- 1.1.25 “**Payment Shares**” has the meaning given in Section 2.2.
- 1.1.26 “**Person**” includes an individual, corporation, partnership, joint venture, trust, unincorporated organization, the Crown or any agency or instrumentality thereof or any other juridical entity.
- 1.1.27 “**Potluck**” means Potluck Potions and Edibles Inc.
- 1.1.28 “**Potluck Shares**” means the Eight Thousand (8,000) common shares in the capital of Potluck, legally and beneficially owned by the Vendor, representing 80% of all issued and outstanding securities of Potluck.
- 1.1.29 “**Purchase Price**” has the meaning given in Section 2.2.
- 1.1.30 “**Purchased Assets**” means the assets, as particularly set out at Schedule “A” attached hereto, to be transferred by the Vendor to the Purchaser pursuant to the terms and conditions of this Agreement.
- 1.1.31 “**Purchaser Financial Statements**” means the audited consolidated financial statements of the Purchaser for the fiscal years ended December 31, 2018 and December 31, 2017, copies of which have been filed by the Vendor on SEDAR.
- 1.1.32 “**Purchaser Public Record**” means all publicly available press releases, material change reports, annual information forms, information circulars, financial statements and other documents that have been disclosed by the Purchaser to the public and filed with any applicable Canadian or other securities regulatory authority or otherwise posted on SEDAR.
- 1.1.33 “**Purchaser Shares**” means the common shares in the capital of the Purchaser as they are presently constituted.

- 1.1.34 “**SEDAR**” means the System for Electronic Document Analysis and Retrieval.
- 1.1.35 “**Subject Contracts**” has the meaning given in Section 3.1.14.
- 1.1.36 “**Subsidiary**” means, with respect to a specified body corporate, any body corporate of which more than 50% of the outstanding shares ordinarily entitled to elect a majority of the board of directors thereof (whether or not shares of any other class or classes will or might be entitled to vote upon the happening of any event or contingency) are at the time owned directly or indirectly by such specified body corporate and will include any body corporate, partnership, joint venture or other entity over which it exercises direction or control.
- 1.1.37 “**SUHM**” means SUHM Investments Inc.
- 1.1.38 “**SUHM Shares**” means One Hundred (100) common shares in the capital of SUHM, legally and beneficially owned by the Vendor, representing 100% of all issued and outstanding securities of SUHM.
- 1.1.39 “**Taxes**” means all levies and assessments imposed by any Governmental Authority, including but not limited to all income, sales, use, ad valorem, value added, franchise, withholding, payroll, employment, excise or property taxes, together with any applicable interest or penalty.
- 1.1.40 “**Trichome**” means Trichome Cannabrands Inc.
- 1.1.41 “**Trichome Shares**” means the Ten Thousand (10,000) common shares in the capital of Trichome representing 100% of all issued and outstanding securities of Trichome.
- 1.1.42 “**Vendor Subsidiaries**” means the following group of companies: CanaBeer, SUHM, Potluck, CanadaCapCorp, Canutra, DOC, CanadaGumCorp, CanadaFormulationsCorp and Trichome.
- 1.2 *Gender and Number.* In this Agreement, words importing the singular include the plural and vice versa and words importing gender include all genders.
- 1.3 *Article and Section Headings.* Article and Section headings contained in this Agreement are included solely for convenience, are not intended to be full or accurate descriptions of the content of any Article or Section and will not be considered to be part of this Agreement.
- 1.4 *Schedules.* The following Schedules are an integral part of this Agreement:
- Schedule A – The Purchased Assets**
- Schedule B – Vendor Convertible Securities**
- Schedule C – Subject Contracts**

- 1.5 *Accounting Terms.* Unless otherwise indicated, all accounting terms not otherwise defined have the meanings assigned to them, and all calculations are to be made and all financial data to be submitted are to be prepared, in accordance with IFRS.
- 1.6 *Arm's Length.* For purposes of this Agreement, Persons are not dealing "at arm's length" with one another if they would not be considered to be dealing at arm's length with one another for purposes of the *Income Tax Act* (Canada) (the "**Tax Act**"), as amended.
- 1.7 *Statutory Instruments.* Unless otherwise specifically provided in this Agreement, any reference in this Agreement to any law, by law, rule, regulation, order, act or statute of any government, Governmental Authority or other regulatory body will be construed as a reference to those as amended or re-enacted from time to time or as a reference to any successor thereof.

2. **Purchase and Sale**

- 2.1 *Purchased Assets.* Upon and subject to the terms of this Agreement, the Vendor agrees to sell, assign and transfer, free and clear of all Encumbrances, and the Purchaser agrees to purchase, all of the Purchased Assets, as at the Closing Time on the Closing Date, in accordance with subsection 2.3.1 below.
- 2.2 *Purchase Price.* The aggregate purchase price (the "**Purchase Price**") payable by the Purchaser to the Vendor for the Purchased Assets shall be the issuance to the Vendor of an aggregate number of Purchaser Shares that is equal to 1.15 multiplied by 302,703,697 (the "**Payment Shares**"), as fully paid and non-assessable.
- 2.3 The Vendor and the Purchaser also agree that with respect the issued and outstanding convertible securities of the Vendor, particulars of which are attached hereto at Schedule B as at Closing (the "**Convertible Securities**"), the holders thereof (the "**Vendor Convertible Security Holders**") shall have the option to exercise their respective Convertible Securities into either common shares in the capital of the Vendor or the Purchaser, on identical terms and conditions of the Convertible Securities effective as at Closing. For greater certainty, the Convertible Securities may be exercised for either common shares of the Vendor or common shares of the Purchaser, and not common shares of both Parties. The Vendor and the Purchaser will do all such acts and things as may be necessary or desirable, including without limitation, amending the certificates and documents evidencing the Convertible Securities, to assure that the exercise rights contemplated in this Section 2.3 are fully effected.
- 2.4 *Acknowledgements and Agreements of the Vendor.* The Vendor acknowledges and agrees as follows with respect to the sale of the Purchased Assets and the receipt of the Payment Shares pursuant to this Agreement:
- 2.4.1 Effective as at the Closing Time (i) Vendor shall be deemed to have sold, assigned and transferred the Purchased Assets to the Purchaser, (ii) the Purchaser shall be delivered one or more share certificates registered as directed by the Purchaser representing the CanaBeer Shares, the SUHM Shares, the Potluck Shares, the CanadaCapCorp Shares, the Canutra Shares, the DOC Shares,

CanadaFormulationsCorp Shares, CanadaGumCorp Shares and Trichome Shares (collectively, the “**Subsidiaries Shares**”), (iii) the Payment Shares shall be issued to the Vendor and evidenced by a certificate delivered to the Vendor representing the Payment Shares, and (iv) any certificates representing the Vendor Subsidiaries Shares held by the Vendor shall be cancelled and thereafter shall be of no further force or effect.

- 2.4.2 The Vendor has been independently advised as to the applicable hold periods imposed in respect of the Payment Shares by the securities legislation in the jurisdiction in which the Vendor resides, and such Vendor confirms that no representation has been made respecting the applicable hold periods for the Payment Shares and that such Vendor is aware of the risks and other characteristics of the Payment Shares and of the fact that such Vendor may not resell the Payment Shares except in accordance with applicable securities legislation and regulatory policy until expiry of the applicable hold periods and compliance with the other requirements of applicable law. The Vendor acknowledges that the certificates representing the Payment Shares will contain legends denoting the applicable resale restrictions, if any, and that it will not resell the Payment Shares except in accordance with the provisions of applicable securities legislation and Exchange rules.
- 2.4.3 The Vendor has been advised that no prospectus has been filed in connection with the issuance and granting of the Payment Shares and as the Payment Shares are being issued and granted to the Vendor pursuant to exemptions from the prospectus requirements of applicable securities laws:
- (a) most of the civil remedies applicable to the issuance and granting of securities by way of prospectus provided for in such laws are not available to the Vendor;
 - (b) the Vendor may not receive information that would be provided if no such exemptions were available; and
 - (c) the Purchaser is relieved of certain obligations in respect of offerings by way of prospectus which would otherwise apply under applicable securities laws.
- 2.4.4 The Vendor will comply with any requirements imposed by the Exchange or securities legislation as a result of the shareholdings of the Vendor in the Purchaser exceeding certain thresholds, such requirements to include, without limitation, the filing of insider and early warning reports under applicable Canadian securities laws.
- 2.4.5 The Vendor hereby consents to the disclosure of the information about the Vendor to the Exchange and Governmental authorities as may be required pursuant to the securities laws, rules and regulations and the policies of the Exchange.

3. Representations and Warranties

- 3.1 *Representations and Warranties of the Vendor.* The Vendor represents, warrants and covenants to the Purchaser as follows, and acknowledges that the Purchaser is relying on these representations, warranties and covenants in entering into this Agreement and in completing the transactions contemplated hereby:
- 3.1.1 Organization and Good Standing – the Vendor is duly incorporated or organized and validly existing under the laws of the Province of British Columbia.
 - 3.1.2 Bankruptcy – No bankruptcy, insolvency or receivership proceedings have been instituted or are pending against the Vendor or the Vendor Subsidiaries listed in Schedule A, and the Vendor and the Vendor Subsidiaries listed in Schedule A are able to satisfy their liabilities as they become due.
 - 3.1.3 Due Authorization – the Vendor has all necessary power, authority and capacity to enter into this Agreement and to perform its obligations under this Agreement. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all necessary action on the part of the Vendor and the Vendor Subsidiaries.
 - 3.1.4 Legal and Beneficial Ownership – The Vendor is the legal and beneficial owner of the Purchased Assets and on Closing, the Purchaser will acquire good and marketable title to such Purchased Assets free and clear of all Encumbrances.
 - 3.1.5 No Options - No Person has any agreement or option or any right (whether by law, pre-emptive or contractual and including convertible securities, warrants or convertible obligations of any nature) for the purchase of the Purchased Assets.
 - 3.1.6 Consents – There are no consents, authorizations, licenses, agreements, permits, approvals or orders of any Person or Governmental Authority required to permit *the Vendor* to complete the transactions contemplated by this Agreement other than a consent to be obtained from ICC International Cannabis Corp. to transfer the Exclusive Distribution Agreement to the Purchaser.
 - 3.1.7 Enforceability of Obligations – This Agreement constitutes a valid and binding obligation of the Vendor enforceable against the Vendor in accordance with its terms, provided that enforcement may be limited by bankruptcy, insolvency, liquidation, reorganization, reconstruction and other similar laws generally affecting enforceability of creditors' rights and that equitable remedies such as specific performance and injunction are in the discretion of the court from which they are sought.
 - 3.1.8 Rights and Privileges – There are no rights, privileges or advantages presently enjoyed by the Vendor or any of the Vendor Subsidiaries which might be lost as a result of the consummation of the transactions contemplated under this Agreement.

- 3.1.9 Subsidiaries – The Vendor owns the Vendor Subsidiaries as set out at Schedule A attached hereto as to the name of the Subsidiary and the number of shares held of such Subsidiary. Schedule A accurately describes the business and assets of the Vendor Subsidiaries. All contracts of the Vendor Subsidiaries are in good standing and are not in default.
- 3.1.10 Authorized and Issued Capital of the Vendor Subsidiaries – The authorized capital of the Vendor Subsidiaries Shares consists of the following, and have been validly issued and are outstanding as fully paid and non-assessable:
- (a) The authorized capital of CanaBeer consists of an unlimited number of common shares, of which an aggregate of 10,000 are outstanding, 8,000 of which are legally and beneficially registered to the Vendor;
 - (b) The authorized capital of SHUM consists of an unlimited number of common shares, of which an aggregate of 100 are outstanding, all of which are legally and beneficially registered to the Vendor;
 - (c) The authorized capital of Potluck consists of an unlimited number of common shares, of which an aggregate of 10,000 are outstanding, 8,000 of which are legally and beneficially registered to the Vendor;
 - (d) The authorized capital of CanadaCapCorp consists of an unlimited number of common shares, of which an aggregate of 10,000 are outstanding, 8,000 of which are legally and beneficially registered to the Vendor;
 - (e) The authorized capital of Canutra consists of an unlimited number of common shares, of which an aggregate of 26,584,841 are outstanding, all of which are legally and beneficially registered to the Vendor;
 - (f) The authorized capital of DOC consists of an unlimited number of common shares, of which an aggregate of 20,625,001 are outstanding, all of which are legally and beneficially registered to the Vendor;
 - (g) The authorized capital of CanadaGumCorp consists of an unlimited number of Class A shares, of which an aggregate of 10,000 are outstanding, all of which are legally and beneficially registered to the Vendor;
 - (h) The authorized capital of CanadaFormulationsCorp consists of an unlimited number of Class A shares, of which an aggregate of 10,000 are outstanding, all of which are legally and beneficially registered to the Vendor; and
 - (i) The authorized capital of Trichome consists of an unlimited number of common shares, of which an aggregate of 10,000 are outstanding, all of which are legally and beneficially registered to the Vendor;

- 3.1.11 Absence of Conflicting Agreements – The execution and delivery of this Agreement and the performance by the Vendor and its obligations hereunder do not and will not:
- (a) result in the violation of any applicable laws;
 - (b) result in or constitute a breach of any term or provision of, or constitute a default under, any constating documents of the Vendor, the Subsidiaries or any of the Purchased Assets; or
 - (c) constitute an event which would permit any party to any agreement related to the Purchased Assets or the Subsidiaries, terminate such agreement or to accelerate the maturity of any indebtedness or other obligation of the Vendor or the Subsidiaries.
- 3.1.12 Litigation – There is no suit, action, litigation, arbitration proceeding or governmental proceeding, including appeals and applications for review, in progress, pending or to the knowledge of the Vendor, threatened against or relating to the Vendor or any of the Subsidiaries listed in Schedule A. There is not presently outstanding against the Vendor or any of the Subsidiaries listed in Schedule A any judgement, decree, injunction, rule or order of any court, Governmental Authority, commission, agency, instrumentality or arbitrator.
- 3.1.13 Financial Statements - The financial statements of the Vendor are true and accurate, contain no undisclosed liabilities and have been prepared in accordance with the IFRS. The Vendor Subsidiaries do not have completed financial statements as at Closing.
- 3.1.14 Purchased Assets Liabilities – There are no liabilities related to the Purchased Assets or the Vendor Subsidiaries other than as set out in the contracts, particulars and copies of which are attached at Schedule “C” (the “**Subject Contracts**”).
- 3.1.15 No Default - Neither the Vendor nor the Vendor Subsidiaries are in default of any of the Subject Contracts and that all of the Subject Contracts are in good standing as of the date hereof.
- 3.2 *Representations and Warranties of the Purchaser.* *The Purchaser* hereby represents, warrants and covenants to the Vendor as follows and acknowledges that the Vendor is relying on these representations, warranties and covenants in entering into this Agreement and in completing the transactions contemplated under this Agreement:
- 3.2.1 Organization and Good Standing – *The Purchaser* is duly incorporated or organized and validly existing under the laws of the Province of British Columbia, Canada.
 - 3.2.2 Bankruptcy – No bankruptcy, insolvency or receivership proceedings have been instituted or are pending against *the Purchaser*, and *the Purchaser* is able to satisfy its liabilities as they become due.

- 3.2.3 Capacity to Carry on Business – The Purchaser has all necessary corporate power, authority and capacity to own its Assets and to carry on its business as presently owned and carried on by it and the Purchaser is duly licensed, registered and qualified as a corporation to do business and is in good standing in each jurisdiction in which the nature of its business makes such qualification necessary.
- 3.2.4 Due Authorization – The Purchaser has all necessary power, authority and capacity to enter into this Agreement and to perform its obligations under this Agreement. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all necessary action on the part of the Purchaser.
- 3.2.5 Authorized and Issued Capital – The authorized capital of the Purchaser consists of an unlimited number of common shares, of which _____ Purchaser Shares have been validly issued and are outstanding as fully paid and non-assessable.
- 3.2.6 Absence of Conflicting Agreements – The execution and delivery of this Agreement and the performance by the Purchaser and its obligations hereunder do not and will not:
- (a) result in the violation of any applicable laws;
 - (b) result in or constitute a breach of any term or provision of, or constitute a default under, any constating documents of the Purchaser or any agreement to which the Purchaser is a party or its assets are bound; or
 - (c) constitute an event which would permit any party to any agreement with the Purchaser to terminate such agreement or to accelerate the maturity of any indebtedness or other obligation of the Purchaser.
- 3.2.7 Consents – There are no consents, authorizations, licenses, agreements, permits, approvals or orders of any Person or Governmental Authority required to permit the Purchaser to complete the transactions contemplated by this Agreement.
- 3.2.8 Enforceability of Obligations – This Agreement constitutes a valid and binding obligation of the Purchaser enforceable against the Purchaser in accordance with its terms, provided that enforcement may be limited by bankruptcy, insolvency, liquidation, reorganization, reconstruction and other similar laws generally affecting enforceability of creditors' rights and that equitable remedies such as specific performance and injunction are in the discretion of the court from which they are sought.
- 3.2.9 Books and Records – The books and records of the Purchaser are fully and accurately maintained and its books of account provide for all excise, sales, business and property taxes and other rates, charges, assessments, levies, duties, taxes, contributions, fees, licenses and other governmental charges of whatsoever kind and nature that have become due and payable or, to the extent such amount is material, that may become due and payable before the Closing Time. The minute

books of the Purchaser are complete and accurate in all material respects and reflect all material actions taken and resolutions passed by the directors and shareholders, as the case may be, of the Purchaser, since the date of incorporation or organization.

3.2.10 Financial Statements – The the Purchaser Financial Statements are true and correct in every material respect and present fairly the assets, liabilities and financial position of the Purchaser as at December 31, 2018, and the results of its operations to that date, in accordance with IFRS applied on a basis consistent with that of previous periods.

3.2.11 The Payment Shares – On Closing the Payment Shares:

- (a) will be issued to the Vendor as fully paid and non-assessable Purchaser Shares;
- (b) will be duly registered in the names of the Vendor in the books and registers of the Purchaser; and
- (c) will be listed on the Exchange .

3.2.12 Purchaser Public Record – The Purchaser Public Record is, in all material respects, accurate and complete and omits no facts, the omission of which makes the Purchaser Public Record or any particulars therein, materially misleading or incorrect at the time such statements were made. The Purchaser has not filed any confidential material change reports which are, as of the date of this Agreement, maintained on a confidential basis. Except as disclosed in the Purchaser Public Record, there is no fact known to the Purchaser which has, or so far as the Purchaser which has, or so far as the Purchaser can reasonably foresee, will have a material adverse effect, or which would otherwise be material to any person intending to make an investment in the Purchaser.

Survival. The representations, warranties and covenants made by the parties in sections 3.1 and 3.2 shall terminate (and be of no further force or effect) on the earlier of: (a) the termination of this Agreement in accordance with its terms; and (b) the Closing Time.

4. Covenants

4.1 *Covenants of the Vendor.* Until the earlier of the Closing Time or the termination of this Agreement in accordance with its terms, the Vendor hereby covenants and agrees with the Purchaser as follows:

4.1.1 *Necessary Consents.* The Vendor shall use commercially reasonable efforts to obtain all approvals or consents as are required to complete the transactions contemplated by this Agreement, including those of the directors and shareholders of the Vendor or any applicable Governmental Authority.

- 4.1.2 *Satisfaction of Conditions Precedent.* The Vendor shall use commercially reasonable efforts to satisfy or cause to be satisfied the conditions precedent in Section 5.1 which are within its control.
- 4.1.3 *All other Actions.* The Vendor shall cooperate fully with the Purchaser, and will use all commercially reasonable efforts to assist the Purchaser in its efforts to complete the transactions contemplated by this Agreement, unless such cooperation and efforts would subject the Vendor to any extraordinary cost or liability or would be in breach of any applicable statutory or regulatory requirements.
- 4.2 *Covenants of the Purchaser.* The Purchaser hereby covenants and agrees with the Vendor as follows:
- 4.2.1 *Necessary Consents.* The Purchaser shall use commercially reasonable efforts to obtain all approvals or consents as are required to complete the transactions contemplated by this Agreement, including those of the directors and shareholders of the Purchaser, the Exchange or any applicable Governmental Authority.
- 4.2.2 *Satisfaction of Conditions Precedent.* The Purchaser shall use commercially reasonable efforts to satisfy or cause to be satisfied the conditions in section 5.3 which are within its control.
- 4.2.3 *Assumption of Obligations.* The Purchaser hereby assumes and becomes liable for, and shall pay, satisfy, assume, discharge, observe, perform, fulfill and indemnify the Vendor against the Contractual Obligations associated with the Purchased Assets.
- 4.2.4 *All other Actions.* The Purchaser shall cooperate fully with the Vendor and will use all commercially reasonable efforts to assist the Vendor in its efforts to complete the transactions contemplated by this Agreement, unless such cooperation and efforts would subject the Purchaser to any extraordinary cost or liability or would be in breach of any applicable statutory or regulatory requirements.
- 4.2.5 *Material Changes.* The Purchaser shall promptly advise the Vendor in writing of any event, change or development that has or is reasonably expected to have an adverse effect in respect of the Purchaser or the transactions contemplated hereunder.

5. Conditions Precedent

- 5.1 *Conditions Precedent for the Benefit of the Vendor.* The obligation of the Vendor to complete the transactions contemplated by this Agreement are subject to the satisfaction of, or compliance with, at or before the Closing Time, each of the following conditions precedent (each of which is hereby acknowledged to be inserted for the exclusive benefit of the Vendor and may be waived by it in whole or in part):

- 5.1.1 Truth of Representations and Warranties – The representations and warranties of the Purchaser contained in this Agreement will be true and correct on and as of the Closing Date as though made at and as of the Closing Date.
- 5.1.2 Covenants and Agreements – The Purchaser will have satisfied and complied with all covenants and agreements in this Agreement agreed to be performed or caused to be performed by the Purchaser on or before the Closing Time.
- 5.1.3 Consents – All consents, approvals, orders and authorizations of or from Governmental Authorities or the Exchange required in connection with the completion of the transactions contemplated by this Agreement will have been obtained on or before the Closing Time on terms and conditions satisfactory to the Vendor, including the conditional approval of the listing of the Payment Shares.
- 5.1.4 No Material Adverse Change – No material adverse change (nor any condition, event or development involving a prospective material adverse change) shall have occurred in the business, assets, operations, capital or financial condition of the Purchaser.
- 5.1.5 Closing Documents – The Purchaser will have tendered the documents to be delivered by it at Closing in accordance with this Agreement.
- 5.2 *Non-satisfaction of Conditions.* If any of the conditions set forth in Section 5.1 are not fulfilled or waived to the reasonable satisfaction of the Vendor, the Vendor may, acting reasonably, terminate this Agreement by notice in writing to the Purchaser. In such event, the Vendor will be released from all obligations under this Agreement and the Purchaser will also be so released unless it was reasonably capable of causing such condition or conditions to be fulfilled or they have breached any of their representations, warranties, covenants or agreements in this Agreement.
- 5.3 *Conditions Precedent for the Benefit the Purchaser.* The obligations of the Purchaser to complete the transactions contemplated by this Agreement are subject to the satisfaction of, or compliance with, at or before the Closing Time, each of the following conditions precedent (each of which is hereby acknowledged to be inserted for the exclusive benefit of the Purchaser and may be waived by it in whole or in part):
 - 5.3.1 Truth of Representations and Warranties – The representations and warranties of the Vendor contained in this Agreement will be true and correct on and as of the Closing Date as though made at and as of the Closing Date.
 - 5.3.2 Covenants and Agreements – The Vendor will have complied with all covenants and agreements in this Agreement agreed to be performed or caused to be performed by it on or before the Closing Time.
 - 5.3.3 Consents – All consents, approvals, orders and authorizations of or from Governmental Authorities or the Exchange required in connection with the completion of the transactions contemplated by this Agreement will have been

obtained on or before the Closing Time on terms and conditions satisfactory to the Purchaser.

- 5.3.4 No Material Adverse Change – No material adverse change (nor any condition, event or development involving a prospective material adverse change) shall have occurred with respect to the Purchased Assets.
 - 5.3.5 Closing Documents – The Vendor will have tendered the documents to be delivered by it at Closing in accordance with this Agreement, including without limitation, the tender of all of the Purchased Assets.
 - 5.3.6 Satisfactory Due Diligence – The Purchaser shall have completed satisfactory due diligence before Closing.
- 5.4 *Non-satisfaction of Conditions.* If any of the conditions set forth in Section 5.3 are not fulfilled or waived to the reasonable satisfaction of the Purchaser, the Purchaser may, acting reasonably, terminate this Agreement by notice in writing to the Vendor. In such event the Purchaser will be released from all obligations under this Agreement and the Vendor will also be so released unless it was reasonably capable of causing such condition or conditions to be fulfilled or it has breached any of its representations, warranties, covenants or agreements in this Agreement.
- 5.5 *Waivers.* Each of the parties, may waive any condition for its benefit in this Agreement, in whole or in part, without prejudice to any right of rescission or any other right in the event of the non-fulfilment of any other condition or conditions. A waiver will only be binding if it is in writing.

6. Indemnification

- 6.1 *Indemnification by the Purchaser.* The Purchaser agrees to indemnify and save harmless the Vendor from and against any and all losses, debts, obligations, liabilities, expenses, costs and damages (including reasonable legal fees) (collectively, the “**Damages**”) suffered or incurred by the Vendor as a result of any breach of, or untruth of, any of the covenants, warranties or representations contained in section 3.2 and 4.2 of this Agreement.
- 6.2 *Indemnification by the Vendor.* The Vendor agrees to indemnify and save harmless the Purchaser from and against any and all Damages suffered or incurred by the Purchaser as a result of any breach of, or untruth of, any of the covenants, warranties or representations contained in section 3.1 or 4.1 of this Agreement.

7. Closing Arrangements

- 7.1 The closing of this transaction shall take place at the offices of the Vendor on the Closing Date.
- 7.2 On the Closing Date, the Vendor shall deliver, or cause to be delivered, to the Purchaser such documents as may reasonably be required to perfect the transactions contemplated by this Agreement and the Purchaser shall deliver, or cause to be delivered, to the Vendor

such documents as may reasonably be required to perfect the transactions contemplated by this agreement.

8. Notices

8.1 *Delivery of Notice.* Any notice, direction or other instrument required or permitted to be given by any party under this Agreement will be in writing and will be sufficiently given if delivered personally or by courier, or transmitted by fax or email means during the transmission of which no indication of failure of receipt is communicated to the sender:

8.1.1 in the case of the Purchaser:

AgraFlora Organics International Inc.
804-750 W. Pender Street
Vancouver, BC V6C 2T7

Attention: Brandon Boddy
Email: bb@boddy.ca

8.1.2 in the case of the Vendor:

Organic Flower Investments Group Inc.
Suite 810-789 West Pender Street
Vancouver, British Columbia V6C 1H2

Attention: Chief Financial Officer
Email: theo@pashleth.com

8.2 *Receipt of Notice.* Any such notice, direction or other instrument, if delivered personally, will be deemed to have been given and received on the date on which it was received at such address and, if sent by fax or email, will be deemed to have been given and received on the date of transmission in accordance with this Section.

9. Termination

9.1 *Grounds for Termination.* This Agreement may be terminated at any time before the Closing:

9.1.1 by the mutual agreement of the Purchaser and the Vendor;

9.1.2 by either the Purchaser or the Vendor if it is not in material breach of its obligations under this Agreement, and if there has been a breach by the other of any of its representations and warranties or covenants hereunder and in either case such breach has not been cured within ten days after written notice, specifying such breach, to such Party; or

9.1.3 by the Purchaser or the Vendor if the Closing Date is not on or before July 31, 2019 or such later date as may be agreed in writing by the Purchaser and the Vendor

9.2 *Effect of Termination.* If this Agreement is terminated as provided in Section 9.1, it will, except as provided herein, forthwith become void, and, subject to Sections 3.4, 5.2 and 5.4 none of the parties or their respective officers, directors, employees, agents, or shareholders will have any liability or obligation with respect to the terminated provisions of the Agreement. Sections 3.4, 5.2, 5.4, 10.3 and 10.4 will survive termination of this Agreement and will continue to be in effect notwithstanding the termination of this Agreement.

10. General Provisions

10.1 *Entire Agreement.* This Agreement, including all the Schedules hereto, together with the agreements and other documents to be delivered pursuant hereto, constitutes the entire agreement among the parties pertaining to the subject matter hereof and supersedes any and all prior agreements, understandings, negotiations and discussions, whether oral or written, of the parties and there are no warranties, representations or other agreements among the parties in connection with the subject matter hereof except as specifically set forth herein and therein.

10.2 *Costs and Expenses.* Each party shall be responsible for its' respective costs and expenses in connection with the transactions contemplated herein.

10.3 *Confidentiality.* Until the Closing Time, and in the event of the termination of this Agreement without consummation of the transactions contemplated by this Agreement, for a period of two years from the date of this Agreement, each party to this Agreement will keep confidential any information obtained from the other parties, provided that a party may disclose confidential information (i) to those of its representatives and professional advisors who have a need to know the information in connection with providing advice with respect to this Agreement and the transactions contemplated thereby if such representatives and advisors commit to protect such information in a manner consistent herewith or (ii) if such disclosure is required by law or the rules of the Exchange or over Governmental Authority or (iii) if such information has been made public other than as a result of a breach of this Section. If this Agreement is terminated without consummation of the transactions contemplated thereby, promptly after such termination all documents, work papers and other written material obtained from a party in connection with this Agreement and not theretofore made public (including all copies and photocopies thereof), shall be returned to the party that provided such material.

10.4 *Public Announcements.* Neither the Purchaser nor the Vendor will, without the prior consent of the others, make any disclosure regarding the existence, purpose, scope, content, terms or conditions of this Agreement or other agreements relating to this Agreement except in order to comply with a legal obligation, the requirements of a competent Government Authority or the requirements of the Exchange; provided that, where practicable, a copy of any proposed announcement or statement will be furnished to the other parties in advance of the proposed date of publication. Nothing herein will prevent


disclosure of the terms of this Agreement to a corporate party's directors, officers, employees or agents or its financial, legal, accounting or other advisors.

- 10.5 *Waiver.* The failure of a party in any one or more instances to insist upon strict performance of any of the terms of this Agreement or to exercise any right or privilege arising under it will not preclude it from requiring by reasonable notice that any other party duly perform its obligations or preclude it from exercising such a right or privilege under reasonable circumstances, nor will waiver in any one instance of a breach be construed as an amendment of this Agreement or waiver of any later breach.
- 10.6 *Assignment.* None of the parties will assign, transfer, charge or otherwise encumber the benefit (or any part thereof) or the burden (or any part thereof) of this Agreement without the prior written consent of the other parties, such consent not to be unreasonably withheld.
- 10.7 *Further Assurances.* Each of the parties hereto will from time to time at the request of any of the other parties hereto and without further consideration, execute and deliver all such other additional assignments, transfers, instruments, notices, releases and other documents and will do all such other acts and things as may be necessary or desirable to assure more fully the consummation of the transactions contemplated hereby.
- 10.8 *Time.* Time will be of the essence of this Agreement.
- 10.9 *Amendment.* This Agreement may be amended or varied only by agreement in writing signed by each of the parties. Unless the context otherwise so requires, a reference to this Agreement includes a reference to this Agreement as amended or varied from time to time.
- 10.10 *Severability.* If any provision of this Agreement is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability will attach only to such provision or part thereof and the remaining part of such provision and all other provisions hereof will continue in full force and effect.
- 10.11 *Governing Law.* This Agreement will be governed by and interpreted in accordance with the laws from time to time in force in the Province of British Columbia and each of the parties hereby attorns to the non-exclusive jurisdiction of the courts of the Province of British Columbia, sitting in Vancouver.
- 10.12 *Benefit of Agreement.* This Agreement will enure to the benefit of and be binding upon each of the parties hereto who is a corporation and their respective successors and permitted assigns.
- 10.13 *Counterparts.* This Agreement may be executed in as many counterparts as are necessary. It will be binding on each party when each party hereto has signed and delivered one such counterpart. Delivery may be made by facsimile or other electronic transmission. When a counterpart of this Agreement has been executed by each party, all counterparts together will constitute one agreement.


THE PARTIES, intending to be contractually bound, have executed this Agreement as of the date and year first above written.

**AGRAFLORA ORGANICS
INTERNATIONAL INC.**

**ORGANIC FLOWER INVESTMENTS GROUP
INC.**

By: 

(Authorized Signatory)

By: 

Joel Dumaresq, CEO & Director

SCHEDULE A
PURCHASED ASSETS

PURCHASED ASSET	DESCRIPTION
<p>Exclusive Distribution Agreement dated May 8, 2019 between the Vendor and ICC International Cannabis Corp.</p>	<p>Access to a European distribution network composed of 80,000 retail outlets and pharmacies, as well as commercial rights for cannabis processing/finishing at select European-GMP certified facilities.</p>
<p>Exclusive Sub-License Agreement dated May 30, 2019 between the Vendor and 1205293 B.C. Ltd. o/a True Focus Canada</p>	<p>Rights to True Focus' IP portfolio in its entirety, inclusive of the "True Focus" trade name, associated trade markets, logos and art, rights to any product formulations, as well as all restrictive covenants and trade secrets associated with the marketing and development of products under the True Focus trade name or which utilize patent rights, including methods and processes.</p>
<p>Eight Thousand (8,000) common shares in the capital of 11353675 Canada Corp. ("CanaBeer") representing 80% of all issued and outstanding securities of CanaBeer</p>	<p>CanaBeer is party to an exclusive partnership agreement with a leading Toronto-based brewery to formulate, manufacture and distribute all cannabinoid-infused beverages developed by the brewery.</p>
<p>One Hundred (100) common shares in the capital of SUHM Investments Inc. ("SUHM") representing 100% of all issued and outstanding securities of SUHM</p>	<p>SUHM is an 80% partner of The Edibles and Infusions Joint Venture. The 20% partner of the joint venture is a leading North American manufacturer and distributor of chocolate and sugar confectionary products.</p>

<p>Eight Thousand (8,000) common shares in the capital of Potluck Potions and Edibles Inc. (“Potluck”) representing 80% of all issued and outstanding securities of Potluck</p>	<p>Potluck is party to an exclusive cannabinoid-infused bottling and manufacturing agreement with a Toronto bottling facility.</p>
<p>Eight Thousand (8,000) common shares in the capital of 11122347 Canada Corp. (“CanadaCapCorp”) representing 80% of all issued and outstanding securities of CanadaCapCorp</p>	<p>CanadaCapCorp is party to a distribution agreement and licensing agreement (collectively, the “Definitive Agreements”) with Health Cap Holdings, Inc. (“HealthCap”) whereby, subject to obtaining applicable licenses, HealthCap will manufacture, supply and license certain dosing caps referred to as “HCHI Dosing Caps”.</p>
<p>Twenty-Six Million Five Hundred Eight-Four Thousand Eight Hundred Forty-One (26,584,841) common shares in the capital of Canutra Naturals Ltd. (“Canutra”) representing 100% of all issued and outstanding securities of Canutra</p>	<p>Canutra’s operations consist of the cultivation, extraction, manufacturing, and marketing of premium skincare, cosmetics and cannabinoid product lines from its flagship facility in eastern Canada.</p>
<p>Twenty Million Six Hundred Twenty-Five One (20,625,001) common shares in the capital of 1180782 B.C. Ltd. (“DOC”) representing 100% of all issued and outstanding securities of DOC</p>	<p>DOC owns an earn-in right to acquire a 20% equity stake in Propagation Services Canada Inc.</p>
<p>Eight Thousand (8,000) common shares in the capital of 11353705 Canada Corp. (“CanadaGumCorp”) representing 80% of all issued and outstanding securities of CanadaGumCorp</p>	<p>CanadaGumCorp controls the rights to a proprietary manufacturing process and formulation catalogue for a Nicorette-inspired medicinal cannabinoid product line.</p>
<p>Eight Thousand (8,000) common shares in the capital of 11406426 Canada Corp. (“CanadaFormulationsCorp”) representing 80% of all issued and outstanding securities of CanadaFormulationsCorp</p>	<p>CanadaFormulationsCorp holds Canadian exclusive rights to a portfolio of cannabinoid-infused product formulations</p>

<p>Ten Thousand (10,000) common shares in the capital of Trichome Cannabrands Inc. (“Trichome”) representing 100% of all issued and outstanding securities of Trichome</p>	<p>Trichome holds the rights to a portfolio of 57 registered trademarks in Canada for a diversified range of cannabis products and services</p>
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SCHEDULE B
VENDOR CONVERTIBLE SECURITIES

Issued and outstanding - May 24, 2019	207,851,106
Warrants	149,266,425
Options	20,094,112
FD	377,211,643

Q Investments Ltd.
 Stock Options
 May 27, 2019

2018-09-30

	Expiry date	Vest	Exercise Price	Post Split	Post Split	Post Split	#	#	Balance	Exercisable	Contractual life remaining years	Cash Consideration	Deposited?		
				7/30/2018 (audited)	# Granted	# Exercised									Expired
	2021-07-04	Immediately	0.175	300,000					-	-	2.76	(52,500)	Yes	Exercised Oct 18, 18	
	2021-07-04	Immediately	0.175	60,000					(60,000.00)	-	2.76	(10,500)	Yes	Exercised Nov 15, 18	
	2021-07-04	Immediately	0.175	40,000					40,000	40,000	2.76	-	-		
	2021-07-04	Immediately	0.175	200,000					200,000	200,000	2.76	-	-		
	2028-09-20	Immediately	0.160	1,842,112					1,842,112	1,842,112	9.98	-	-		
	2028-09-20	Immediately	0.160	1,722,000					1,722,000	1,722,000	9.98	-	-		
	06-Mar-24	Immediately	0.450	1,000,000					1,000,000	1,000,000	5.44	-	-		
	17-May-24	Immediately	0.325	3,000,000					3,000,000	3,000,000	5.63	-	-		
	17-May-24	Immediately	0.325	1,250,000					1,250,000	1,250,000		-	-		
	17-May-24	Immediately	0.325	750,000					750,000	750,000		-	-		
	17-May-24	Immediately	0.325	1,200,000					1,200,000	1,200,000		-	-		
	17-May-24	Immediately	0.325	2,045,000					2,045,000	2,045,000		-	-		
	17-May-24	Immediately	0.325	500,000					500,000	500,000		-	-		
	17-May-24	Immediately	0.325	4,500,000					4,500,000	4,500,000		-	-		
				16,290,000											
									(360,000)	-		20,094,112		5.26	

SCHEDULE C

SUBJECT CONTRACTS

1. Exclusive Distribution Agreement dated May 8, 2019 between the Vendor and ICC International Cannabis Corp.;
2. Exclusive Sub-License Agreement dated May 30, 2019 between the Vendor and 1205293 B.C. Ltd. o/a True Focus Canada;
3.
 - a. Share Exchange Agreement dated May 6, 2019 among CanaBeer, the Vendor and the persons identified as the sellers in the agreement thereto;
 - b. Contract Brewing Services Agreement dated May 2, 2019 between CanaBeer and Brunswick Bierworks Inc.;
4.
 - a. Share Purchase Agreement dated April 12, 2019 between the Vendor and Mulberry Capital Inc.;
 - b. Joint Venture Agreement dated October 16, 2018 among SUHM, Quality Confections Canada Ltd., The Edibles and Infusions Corporation and 10026310 Manitoba Ltd.;
 - c. Sales and Marketing Agreement dated October 16, 2018 among SUHM, Quality Confections Canada Ltd. And More Corp.;
 - d. Agreement of Lease for the Premises at 160 Eagle Drive, Winnipeg, Manitoba between Edibles and Infusions Corporation and 10026308 Manitoba Ltd.;
5.
 - a. Share Exchange Agreement dated April 22, 2019 among Potluck, the Vendor and the persons identified as the sellers in the agreement thereto;
 - b. Binding Letter of Intent dated April 20, 2019 between Potluck and Hatch Beverage Company, Ltd.;
6.
 - a. Share Exchange Agreement dated April 16, 2019 among CanadaCapCorp, the Vendor and the persons identified as the sellers in the agreement thereto;
 - b. Letter of Intent dated March 18, 2019 between CanadaCapCorp and Health Cap Holdings, Inc.;

c.

7. Share Purchase Agreement dated May 30, 2019 among Canutra, the Vendor and the persons identified as the sellers in the agreement thereto;
8. Share Purchase Agreement dated March 14, 2019 among the Vendor, DOC and the persons identified as the sellers in the agreement thereto;
9.
 - a. Share Exchange Agreement dated May 28, 2019 among CanadaGumCorp, the Vendor and the persons identified as the sellers in the agreement thereto;
 - b. Formulations Development Agreement dated May 28, 2019 between CanadaGumCorp and Mile High Food Science, LLC;
10.
 - a. Share Exchange Agreement dated May 28 2019 among CanadaFormulationsCorp, the Vendor and the persons identified as the sellers in the agreement thereto;
 - b. Formulations Development Agreement dated May 28, 2019 between CanadaFormulationsCorp and Mile High Food Science, LLC; and
11. Share Purchase Agreement dated May 29, 2019 among Trichome, the Vendor and the persons identified as the sellers in the agreement thereto.

EXCLUSIVE DISTRIBUTION AGREEMENT

THIS EXCLUSIVE DISTRIBUTION AGREEMENT (the “**Agreement**”) with its Effective Date as of May 8, 2019, and entered into between ICC International Cannabis Corp., a corporation duly incorporated in the Province of British Columbia (“**ICC**”) and Organic Flower Investments Group Inc., a corporation duly incorporated in the Province of British Columbia (“**SOW**”) and together with ICC and SOW, the “**Parties**”, and each, a “**Party**”).

WHEREAS:

- A. ICC has a European distribution network comprised of approximately 80,000 retail outlets and pharmacies (the “**Distribution Network**”) and EU-GMP certified cannabis processing/finishing facilities (the “**Facilities**”) located in Germany, United Kingdom, Ireland, Denmark, Italy, France, Singapore, Spain, Poland the Netherlands and Greece (the “**Territory**”).
- B. SOW is in the business of marketing, obtaining the licenses for certain products, manufacturing certain products, and distributing products, where such products include, without limitation, dried cannabis flower, functional foods and beverages, CBD-infused pain relief creams and roll-ons, hemp-oil based organic cosmetics, adult-use beverages and cannabinoid/terpene-infused edible products (the “**Products**”).
- C. SOW desires to appoint ICC as its exclusive distributor to process and distribute the Products within the Territory and ICC desires to accept such appointment, subject to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions set out herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

1. DEFINITIONS

“**Affiliate**” means any Person that directly or indirectly controls, is controlled by, or is under common control with a Party. For purposes of the preceding sentence, “control” means the right to exercise, directly or indirectly, the power to direct or cause direction of management and policies through ownership of voting securities, contract, voting trust or otherwise.

“**Effective Date**” means the date of execution of this Agreement.

“**ICC**” means ICC International Cannabis Corp. its Affiliates.

“**Person**” means any individual, partnership, corporation, trust, limited liability corporation, unincorporated organization, association, Governmental Authority or any other entity.

“**Products**” means the products as defined in the Recitals above, and shall include additional products added to the definition from time to time, as agreed to by the Parties.

“**SOW**” means Organic Flower Investments Group Inc. and its Affiliates.

“**Territory**” means the group of countries as defined in the Recitals above, and shall include additional countries added to the definition from time to time, as agreed to by the Parties.

2. **APPOINTMENT AS EXCLUSIVE DISTRIBUTOR OF PRODUCTS**

- a) **Term.** The term of this appointment commences as at the date of this Agreement and terminates on December 31, 2029 and shall thereafter renew for additional successive 10 year term unless and until either Party provides notice of nonrenewal at least 1 year before the end of the then-current term, or unless and until earlier terminated as provided under this Agreement or applicable law (the “**Term**”). If either Party provides timely notice of its intent not to renew this Agreement, then unless earlier terminated in accordance with its terms, this Agreement terminates on the expiration of the then-current Term.
- b) **Exclusive Appointment.** For the purposes of this Agreement, SOW appoints ICC as its exclusive distributor of the Products within the Territory during the Term and ICC accepts such appointment. SOW shall not, directly or indirectly through any agents, representatives or distributors, except through ICC hereunder, market, advertise, promote, sell or distribute the Products in the Territory.
- c) **Subdistributors.** ICC may appoint sub-distributors as it determines appropriate for the effective distribution of Products under this Agreement, provided that:
 - i. the sub-distributor expressly acknowledges that it is familiar with and will comply with all applicable terms of this Agreement; and
 - ii. SOW gives its prior written consent, which shall not be unreasonably withheld or delayed.

3. **OBLIGATIONS OF SOW**

SOW shall or shall cause to:

- a) provide, including but not limited to, information and any other support as ICC may request regarding the processing, marketing, advertising, promotion and sale of the Products (the “**Information**”). SOW shall notify ICC promptly in the event of any material changes to such Information;
- b) provide technical support to ICC, and, as requested by ICC, SOW shall provide contact information for third party consultants, agents and other parties that may be discovered from time to time, to provide other support-related information and/or materials to ICC;
- c) properly pack, mark and ship the Products as instructed by ICC and otherwise in accordance with applicable law and industry standards, and shall provide ICC with shipment documentation showing without limitation, purchase order numbers, the quantity of pieces in shipment, the number of cartons or containers in shipment, the bill of lading number and the country of origin; and

- d) pay a royalty based upon the net sales of the Products sold through ICC's Distribution Network, where the calculation of such royalty shall be mutually agreed to in writing by the Parties on a Product-by-Product basis.

4. OBLIGATIONS OF ICC

ICC shall:

- a) use commercially reasonable efforts to further the promotion, marketing, sale and distribution of the Products in the Territory, including building brand awareness and value;
- b) establish and maintain a sales and marketing organization sufficient to develop the market potential for the sale of the Products; and
- c) establish and maintain independent sales representatives, a distribution organization and facilities sufficient to process the Products available for shipment by ICC to each of its members in the Distribution Network.

5. TERMINATION

The Agreement may be terminated at any time by:

- a) mutual written agreement between the Parties;
- b) except as otherwise specifically provided under this Section 5(a), if the either Party is in breach of this Agreement and either the breach cannot be cured or, if the breach can be cured, it is not cured within 30 days following the other Party's receipt of notice of such breach;
- c) if one of the Parties:
 - i. becomes insolvent or is generally unable to pay, or fails to pay, its debts as they become due;
 - ii. files or has filed against it, a petition for voluntary or involuntary bankruptcy or otherwise becomes subject, voluntarily or involuntarily, to any proceeding under any domestic or foreign bankruptcy or insolvency law;
 - iii. seeks reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to it or its debts;
 - iv. makes or seeks to make a general assignment for the benefit of its creditors; or
 - v. applies for or has a receiver, trustee, custodian or similar agent appointed by order of any court of competent jurisdiction to take charge of or sell any material portion of its property or business; or

- d) **Effect of Expiration or Termination.** Upon the expiration or earlier termination of this Agreement:

(a) All related purchase orders are automatically terminated.

(b) ICC shall promptly return or destroy (pursuant to SOW's instructions) all documents and tangible materials (and any copies) containing, reflecting, incorporating or based on the SOW's Confidential Information (as defined in Section 6).

(c) SOW shall promptly return or destroy (pursuant to ICC's instructions) all documents and tangible materials (and any copies) containing, reflecting, incorporating or based on the ICC's Confidential Information (as defined in Section 6).

6. CONFIDENTIALITY

- a) **Confidential Information.** From time to time during the Term, either Party may disclose or make available to the other Party information about its business affairs, products, confidential intellectual property, trade secrets, third-party confidential information and other sensitive or proprietary information (collectively, "**Confidential Information**"). Confidential Information shall not include information that, at the time of disclosure is: (a) in the public domain; (b) known to the receiving party at the time of disclosure; or (c) rightfully obtained by receiving party on a non-confidential basis from a third party.
- b) The receiving party shall not disclose any such Confidential Information to any person or entity, except to the receiving party's employees who have a need to know the Confidential Information for the receiving party to perform its obligations hereunder. On the expiration or termination of the Agreement, the receiving party shall promptly return to the disclosing party all copies, whether in written, electronic or other form or media, of the disclosing party's Confidential Information, or destroy all such copies and certify in writing to the disclosing party that such Confidential Information has been destroyed.

7. ICC's COMPLIANCE WITH LAWS AND WARRANTIES

- a) **Compliance with Laws.** ICC is in compliance with and shall comply with all applicable federal, territorial and local laws, regulations and ordinances. Without limiting the generality of the foregoing, ICC has and shall at all times, at its own expense, obtain and maintain in effect all the certifications, credentials, licenses, permissions, authorizations, consents and permits necessary to conduct its business, as if resident in the country within the Territory, and to perform its obligations under this Agreement.

8. INDEMNIFICATION

- a) **General Indemnification by ICC.** ICC shall indemnify, defend and hold harmless SOW, its officers, directors, partners, employees, shareholders, agents, affiliates, successors and permitted assigns (each, an "**Indemnified Party,**" and collectively, "**Indemnified Parties**") from and against any and all losses, damages, liabilities, deficiencies, claims, actions, judgments, settlements, interest, awards, penalties, fines, costs, or expenses of whatever kind,

including legal fees, fees and the costs of enforcing any right to indemnification under this Agreement, and the cost of pursuing any insurance providers, incurred by Indemnified Party (collectively, “**Losses**”), relating to any claim of a third party or SOW arising out of, related to or occurring in connection with the distribution and processing of the Products or ICC’s negligence, willful misconduct or breach of this Agreement. ICC shall not enter into any settlement without SOW’s prior written consent.

9. INTELLECTUAL PROPERTY INDEMNIFICATION

- a) **Intellectual Property Indemnification.** SOW shall indemnify, defend and hold ICC harmless from and against any and all Losses arising out of, related to or in connection with, any claim that ICC’s distribution of Products infringes or misappropriates the patent, copyright, trade secret or other intellectual property right of any third party. In no event shall SOW enter into any settlement without ICC’s prior written consent.

10. LIMITATION OF LIABILITY

- a) **LIMITATIONS.** EXCEPT FOR LIABILITY FOR INDEMNIFICATION, LIABILITY FOR BREACH OF CONFIDENTIALITY, OR LIABILITY FOR INFRINGEMENT OR MISAPPROPRIATION OF INTELLECTUAL PROPERTY RIGHTS, IN NO EVENT SHALL SOW OR ANY OF ITS REPRESENTATIVES BE LIABLE UNDER THIS AGREEMENT TO ICC OR ANY THIRD PARTY FOR CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, PUNITIVE OR AGGRAVATED DAMAGES, ARISING OUT OF, OR RELATING TO, AND/OR IN CONNECTION WITH ANY BREACH OF THIS AGREEMENT, REGARDLESS OF:
- (i) WHETHER SUCH DAMAGES WERE FORESEEABLE;
 - (ii) WHETHER OR NOT SOW WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES; AND
 - (iii) THE LEGAL OR EQUITABLE THEORY (CONTRACT, TORT OR OTHERWISE) UPON WHICH THE CLAIM IS BASED.

11. INSURANCE

- a) **Insurance.** For the duration of the Term, after the Effective Date, ICC shall, at its own expense, maintain and carry insurance in full force and effect that includes, but is not limited to, commercial general liability (including product liability) with limits no less than \$2,000,000 for each occurrence and \$50,000,000 in the aggregate with financially sound and reputable insurers. Upon SOW’s request, ICC shall provide SOW with a certificate of insurance and policy endorsements for all insurance coverage required by this Section 11, and shall not do anything to invalidate such insurance.

12. ENTIRE AGREEMENT

- a) **Entire Agreement.** This Agreement, including and together with any related exhibits, schedules, attachments and appendices, constitutes the sole and entire agreement of the Parties with respect to the subject matter contained herein, and supersedes all prior and contemporaneous understandings, agreements, representations and warranties, both written and oral, regarding such subject matter. In the event of conflict between the terms of this

Agreement and the terms of any purchase order or other document submitted by one Party to the other, this Agreement shall control unless the Parties specifically otherwise agree in writing pursuant to Section 16.

13. SURVIVAL

- a) **Survival.** Subject to the limitations and other provisions of this Agreement the representations and warranties of the Parties contained herein will survive the expiration or earlier termination of this Agreement for a period of twelve (12) months after such expiration or termination.

14. NOTICE

- a) **Notices.** All notices, requests, consents, claims, demands, waivers and other communications under this Agreement must be in writing and addressed to the other Party at its address set forth below (or to such other address that the receiving Party may designate from time to time in accordance with this Section). Unless otherwise agreed herein, all notices must be delivered by personal delivery or e-mail, nationally recognized overnight courier or certified or registered mail (in each case, return receipt requested, postage prepaid). Except as otherwise provided in this Agreement, a notice is effective only (i) on receipt by the receiving Party, and (ii) if the Party giving the notice has complied with the requirements of this Section.

Notice to SOW:

810-789 West Pender Street,
Vancouver, BC V6C 1H2
Attention: Chief Executive Officer

Notice to ICC:

810-789 West Pender Street,
Vancouver, BC V6C 1H2
Attention: Chief Executive Officer

15. SEVERABILITY

- a) **Severability.** If any term or provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect the enforceability of any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction; *provided*, however, that if any fundamental term or provision of this Agreement, is invalid, illegal or unenforceable, the remainder of this Agreement shall be unenforceable.

16. AMENDMENTS

- a) **Amendments.** No amendment to this Agreement is effective unless it is in writing and signed by an authorized representative of each Party.

17. WAIVER

- a) **Waiver.** No waiver by any Party of any of the provisions of this Agreement shall be effective unless explicitly set forth in writing and signed by the Party so waiving. Except as otherwise set forth in this Agreement, no failure to exercise, or delay in exercising, any rights, remedy, power or privilege arising from this Agreement shall operate or be construed as a waiver thereof, nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

18. CUMULATIVE REMEDIES

- a) **Cumulative Remedies.** All rights and remedies provided in this Agreement are cumulative and not exclusive, and the exercise by either Party of any right or remedy does not preclude the exercise of any other rights or remedies that may now or subsequently be available at law, in equity, by statute, in any other agreement between the Parties or otherwise.

19. ASSIGNMENT

- a) **Assignment.** This Agreement cannot be assigned or transferred without written approval of both Parties.

20. CHOICE OF LAW

- a) **Choice of Law.** This Agreement, including all exhibits, schedules, attachments and appendices attached to this Agreement and thereto, and all matters arising out of or relating to this Agreement, are governed by, and construed in accordance with, the laws of the province of British Columbia, and the federal laws of Canada applicable therein without giving effect to any choice or conflict of laws provision or rule (whether of the province of British Columbia or any other jurisdiction).

21. CHOICE OF FORUM

- a) **Choice of Forum.** Each Party irrevocably and unconditionally agrees that it will not commence any action, litigation or proceeding of any kind whatsoever against the other Party in any way arising from or relating to this Agreement, including all exhibits, schedules, attachments and appendices attached to this Agreement, and all contemplated transactions, including contract, equity, tort, fraud and statutory claims in any forum other than in the courts of the Province of British Columbia, and each Party irrevocably and unconditionally submits to the exclusive jurisdiction of such courts in any such action, litigation or proceeding. Each Party agrees that a final judgment in any such action, litigation, or proceeding is conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. The parties irrevocably and unconditionally waive any objection to the venue of any action or proceeding in such courts and irrevocably waive and agree not to plead or claim in any such court that any such action or proceeding brought in any such court has been brought in an inconvenient forum.

22. COUNTERPARTS

- a) **Counterparts.** This Agreement may be executed in counterparts, each of which is deemed an original, but all of which together are deemed to be one and the same agreement. Notwithstanding anything to the contrary in Section 17, a signed copy of this Agreement delivered by facsimile, email or other means of electronic transmission is deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

23. **FORCE MAJURE**

- a) **Force Majeure.** Any delay or failure of either Party to perform its obligations under this Agreement will be excused to the extent that the delay or failure was caused directly by an event beyond such Party's reasonable control, without such Party's fault or negligence and that by its nature could not have been foreseen by such Party or, if it could have been foreseen, was unavoidable (which events may include natural disasters, embargoes, explosions, riots, wars or acts of terrorism) (each, a "**Force Majeure Event**").
- b) A Party shall give the other Party prompt written notice of any event or circumstance that is reasonably likely to result in a Force Majeure Event, and the anticipated duration of such Force Majeure Event. An affected Party shall use all diligent efforts to end the Force Majeure Event, ensure that the effects of any Force Majeure Event are minimized and resume full performance under this Agreement.

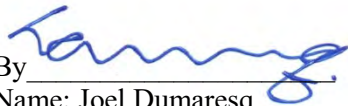
24. **RELATIONSHIP OF THE PARTIES**

- a) **Relationship of the Parties.** The relationship between the parties is that of independent contractors. Nothing contained in this Agreement shall be construed as creating any agency, partnership, franchise, business opportunity, joint venture or other form of joint enterprise, employment or fiduciary relationship between the parties, and neither party shall have authority to contract for or bind the other party in any manner whatsoever.

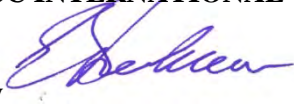
[The balance of this page is left intentionally blank.]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of the Effective Date by their respective officers thereunto duly authorized.

**ORGANIC FLOWER INVESTMENTS
GROUP INC.**

By 
Name: Joel Dumaresq
Title: Chief Executive Officer
I have authority to bind the Corporation

ICC INTERNATIONAL CANNABIS CORP.

By 
Name: Eugene Beukman
Title: Director
I have authority to bind the Corporation

EXCLUSIVE SUB-LICENSE AGREEMENT

This exclusive sub-license agreement (“**Agreement**”) is made effective this 30th day of May, 2019 (“**Effective Date**”), by and between **1205293 B.C. Ltd**, a corporation having its principal place of business at 106 Guestville Avenue Toronto, Ontario M6N 4N6 (the “**Licensor**”) and **Organic Flower Investments Group Corp.** a corporation having its principal place of business at Suite 810 - 789 West Pender Street Vancouver, British Columbia V6C 1H2 (the “**Licensee**”). Licensee and Licensor are hereafter referred individually as a “**Party**”, and collectively as the “**Parties**”.

BACKGROUND

WHEREAS, the Licensor is the beneficial owner of an exclusive license agreement with cGreen Inc. relating to the development and marketing of products for the suppression of effects associated with the use of cannabis under the trade name “True Focus” in certain jurisdictions; and

WHEREAS, the Licensor desires to sub-license the rights to develop and market products under the “True Focus” trade name, utilizing its proprietary intellectual property in Canada;

The parties agree as follows:

1.DEFINITIONS

As used in this Agreement, the following terms, whether used in singular or plural, shall have the following meanings set forth below:

1.1.“Intellectual Property” means:

- (A) all rights to the trade name “True Focus”, as well as any associated trade marks, trade names, logos and art associated with, or used in connection with, the name “True Focus”;
- (B) all rights to any product formulations existing as of the Effective Date, or developed during the Licensed Term, as well as any improvements or refinements thereto, which utilize the Patent Rights or which are marketed under the trade name “True Focus” and its derivatives;
- (C) all restrictive covenants and trade secrets associated with the marketing and development of products by Licensor under the “True Focus” trade name or which utilize the Patent Rights, including methods and processes for the manufacturing of products offered by Licensor; and
- (D) all Licensed Methods.

1.2. “Licensed Method” means any process, service, or method that is covered by a Claim within the Patent Rights, or included within the Intellectual Property.

1.3. “Licensed Product” means any composition, service, or product covered by a Claim within the Patent Rights, or produced by using, or that uses, any Intellectual Property, or that is marketed under a trade name included as part of the Intellectual Property, but for greater certainty a Licensed Product may not disclose, directly or indirectly, in its packaging, marketing, documentation, use or design, any trade secret or Licensed Method forming part of the Intellectual Property without Licensor’s prior written consent.

1.4. “License Term” means a period of ten (10) years following the Effective Date, unless otherwise extended by mutual agreement of the Licensee and Licensor or earlier terminated in accordance herewith.

1.5. “Licensed Territory” means Canada

1.6. “Net Sale(s)” means all gross amounts invoiced or otherwise charged by the Licensee from the sale of Licensed Products or other commercialization of the Intellectual Property in the Licensed Territory less the following items (but only to the extent they (i) pertain to the making, using, importing, or selling of Licensed Products, (ii) are included in gross revenue, and (iii) are separately billed):

- (A) cash, trade or quantity discounts actually granted to a customer;
- (B) import, export, excise and sales taxes, custom duties, and value added taxes to the extent such taxes are incurred and not reimbursed, refunded, or credited under a tax authority;
- (C) freight, transport packing, and insurance charges associated with transportation; and
- (D) allowances or credit actually given to customers for returns or rejections.

If Licensed Product is not billed or is billed or otherwise sold at a discounted price that is substantially lower than the customary prices charged by Licensee, or billed or otherwise sold for non-monetary consideration (whether or not at a discount) or as part of any bundling or combined offering, Net Sales will be calculated based on the average non-discounted amount charged for such Licensed Product in an arms-length transaction to an independent third party during the same calendar quarter in the same country or, in the absence of such sales, on the cash consideration that Licensee or its Sublicensee(s) would realize from an independent buyer in an arm’s-length sale of an identical item or right sold in the same quantity and at the same time and place of the transaction.

1.7. “Ownership Challenge” shall mean any direct or indirect dispute, challenge, or assistance in the challenge of the validity, patentability, scope, construction, enforceability, non-infringement of Licensor’s ownership of any subject matter in the Intellectual Property, Licensed Patents or any claims thereof, including but not limited to opposition or assistance in the opposition of the grant of any letters patent comprising the Licensed Patents, in any legal or, administrative proceedings, including in a court of law, before the United States Patent and Trademark Office (USPTO) or other foreign agency or tribunal in any jurisdiction, or in arbitration.

1.8. “Patent Action” means the preparation, filing, prosecution and maintenance of patent applications and patents included in the Patent Rights. Prosecution includes, but is not limited to, reexaminations,

inventorship determination, interferences, oppositions, and any other ex parte or inter partes matters originating in a patent office.

1.9. “Patent Rights” means Licensor’s interest in the USPTO patent application numbered 16059002, and entitled “Method for Reduction, Suppression, or Elimination of Anxiety or Marijuana/Cannabis Effects and Related Marijuana/Cannabis Product by Process”. Patent Rights shall further include any corresponding foreign patent applications thereof, and any divisional, continuation, continuations-in-part (but only to the extent the claims thereof are entirely supported in the specification and entitled to the priority date of the parent application), or reexamination application, and each patent that issues or reissues from any of these patent applications.

1.10. “Sublicense” has the meaning given in Paragraph 3.1.

1.11. “Valid Claim” means a claim of a patent or patent application that (i) has not expired; (ii) has not been disclaimed; (iii) has not been cancelled or superseded, or if cancelled or superseded, has been reinstated; and (iv) has not been revoked, held invalid, or otherwise declared unenforceable or not allowable by a tribunal or patent authority of competent jurisdiction over such claim from which no further appeal or refiling has or may be taken.

2. GRANT

2.1. Subject to the limitations and other terms and conditions set forth in this Agreement, Licensor grants to the Licensee an exclusive license (the “**License**”) to utilize and practice the Patent Rights and the Intellectual Property in the Licensed Territory, to make, have made, use, sell, offer for sale and import Licensed Products during the License Term and in the Licensed Territory, to the extent permitted by law. The Licensee will not make, use, have made, sell, offer for sale, or import Licensed Products or practice Licensed Methods outside the Licensed Territory, nor will the Licensee use any Intellectual Property outside of the permitted activities expressly set out in this Agreement.

2.2. The License will include the right to modify the Intellectual Property in the sole discretion of the Licensee, as well as the right to utilize any trade name included within the Intellectual Property in any advertising, publicity or other promotional activity in connection with Licensed Products, provided that all such modifications and improvements in and to the Intellectual Property will (a) be deemed owned by Licensor, and (b) be automatically included in the licenses granted by Licensor to Licensee hereunder. Each party will disclose all such improvements and modifications to the other promptly and with reasonable particulars so as to permit their proper use by Licensee in its performance under this Agreement and by Licensor in its business of owning, licensing and commercializing (outside of the Licensed Territory) them. Licensee hereby assigns (and upon such improvement or modification will be deemed to have assigned, by this written instrument) all of its rights, titles and interests therein and thereto, including all intellectual property rights, to Licensor, and to have waived all moral rights therein, and will ensure that each of its Sublicensees do the same.

2.3. Licensor will retain all right, title and interest in and to the Intellectual Property, including without limitation, all Patent Rights, including any and all other intellectual property and other proprietary rights to the foregoing. All rights not expressly granted to Licensee hereunder are expressly reserved. The

Intellectual Property and the Patent Rights are licensed and not sold. Licensee will not, nor will Licensee permit any Sublicensee to, directly or indirectly, take part in any Ownership Challenge.

2.4. Without limiting Section 2.2, Licensee agrees that any of Licensee's comments, suggestions, ideas, impressions and improvements relating to the Intellectual Property provided by or on behalf of Licensee to Licensor (collectively, "**Feedback**") may be used freely by Licensor, including in future versions or improvements to the Intellectual Property, or otherwise through commercial or non-commercial exploitation, without any compensation or notice to Licensee.

3.SUBLICENSES

3.1. The granting of further Sublicenses by the Licensee is expressly prohibited.

4.LICENSE FEES

4.1. The Licensee will issue to Licensor common shares with a value of \$3.5 million CDN in the capital of the Licensee (the "Payment Shares"). The valuation of the shares will be based upon the five-day VWAP (volume-weighted average price) of the Licensee common shares for the five trading sessions prior to the announcement of the Agreement. The Payment Shares issuable on the acquisition are subject to a hold period of at least six (6) months and one (1) day. Further Payment Shares shall be issuable based on the achievement of certain milestones, specifically:

- Common shares equal to \$1.75 million CDN in the capital of the Licensee based on the achievement of either;
 - Annualized sales run-rate of True Focus product equal to \$250,000 CDN demonstrated for an uninterrupted four consecutive months, OR
 - Achievement of True Focus product distribution in 2,500 Shelves, AND separately,
- Common shares equal to \$1.75 million CDN in the capital of the Licensee;
 - Achievement of formulaic product testing/verification in a clinical setting which demonstrates positive or tangible conclusions

5.DUE DILIGENCE

5.1. The Licensee, upon execution of this Agreement, will diligently proceed with the development, manufacture and sale of Licensed Products and Licensed Methods and will earnestly and diligently market the same after execution of this Agreement. Licensee will use commercially reasonable efforts during the License Term to commercialize Licensed Products within the Licensed Territory.

5.2. The Licensee will obtain all necessary governmental approvals in each country where Licensed Products and Licensed Methods are manufactured, used, sold, offered for sale or imported.

6.LIFE OF THE AGREEMENT

6.1. Unless otherwise terminated by operation of law or by acts of the parties in accordance with the terms of this Agreement, this Agreement will remain in effect from the Effective Date until the expiration of the License Term.

6.2. Any termination or expiration of this Agreement will not affect the rights and obligations set forth in the following Articles: Article 1 (Definitions), Article 8 (Books and Records), Article 12 (Disposition of Licensed Products on Hand Upon Termination), Article 13 (Representations, Warranties, Indemnities, and Limitations of Liability), and Articles 17 (Notices) through 25 (Counterparts and Execution), inclusive.

7. TERMINATION BY LICENSOR

7.1. If the Licensee fails to perform or violates any term of this Agreement, then Licensor may give written notice of such default (“**Notice of Default**”) to the Licensee. If the Licensee fails to repair such default within sixty (60) days after the effective date of such Notice of Default, then Licensor will have the right to immediately terminate this Agreement, by providing a written notice of termination to the Licensee.

7.2. If Licensee becomes bankrupt or insolvent, files a petition in bankruptcy, or is placed in the hands of a receiver, assignee, or trustee for the benefit of creditors, whether by the voluntary act of Licensee or otherwise, this Agreement shall automatically terminate, inasmuch as permitted under applicable and prevailing law.

8. TERMINATION BY LICENSEE

8.1. The Licensee has the right at any time to terminate this Agreement in whole or with respect to any portion of the Patent Rights by providing written notice to Licensor at least ninety (90) days in advance of the effective date of termination selected by the Licensee.

9. DISPOSITION OF LICENSED PRODUCT ON HAND UPON TERMINATION

9.1. Upon termination of this Agreement by the Licensee, the Licensee may continue to sell any previously made Licensed Products during the one hundred eighty (180) days following such termination, but for greater certainty this will not apply to any termination under Article 10.

10. REPRESENTATIONS, WARRANTIES, INDEMNITIES, AND LIMITATIONS OF LIABILITY

10.1. Each party represents and warrants to the other that on the effective date hereof: (a) it has all necessary corporate power and authority to enter into and deliver this Agreement and to perform its obligations hereunder; and (b) all action on the part of each party necessary for the authorization, entering into and delivery of this Agreement and the performance of all obligations of that party hereunder have been taken or will be taken prior to the signing of this Agreement; and.

10.2.Licensor represents and warrants that, to its actual knowledge, it has the full right, title and interest in and to the Intellectual Property and Patent Rights to license them as set out in this License. EXCEPT FOR THE EXPRESS WARRANTIES SET FORTH ABOVE, THE INTELLECTUAL PROPERTY IS PROVIDED “AS IS” AND “AS-AVAILABLE” AND LICENSOR HEREBY DISCLAIMS ALL WARRANTIES, IMPLIED OR EXPRESS, INCLUDING THE IMPLIED WARRANTIES OF SATISFACTORY QUALITY, LEGALITY, MERCHANTABILITY, FITNESS, NON-INFRINGEMENT, PERFORMANCE, TITLE, ACCURACY, AND COURSE OF DEALING.

10.3.IN NO EVENT SHALL LICENSOR OR ITS AFFILIATES BE LIABLE, WHETHER GROUNDED IN ANY TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, CONTRACT OR UNDER ANY OTHER THEORY, TO LICENSEE OR TO ANY THIRD PARTY FOR ANY INDIRECT, INCIDENTAL, PUNITIVE, CONSEQUENTIAL OR SPECIAL DAMAGES, NOR (WHETHER DIRECT OR INDIRECT) ANY DAMAGES TO BUSINESS REPUTATION, LOST BUSINESS, LOST PROFITS, COSTS OF PROCURING SUBSTITUTE GOODS OR RIGHTS, ENHANCED DAMAGES FOR INTELLECTUAL PROPERTY INFRINGEMENT, OR LOST PROFITS, IN EACH CASE WHETHER FORESEEABLE OR NOT AND HOWEVER CAUSED, EVEN IF LICENSOR IS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES

10.4.For greater certainty, this License does not:

(A)express or imply a warranty or representation as to the validity, enforceability, or scope of any Patent Rights or Intellectual Property; or

(B)express or imply a warranty or representation that anything made, used, sold, offered for sale or imported or otherwise exploited under any license granted in this Agreement is or will be free from infringement of patents, copyrights, or other rights of third parties;

(C)in recognition of the experimental nature of the Intellectual Property licensed hereunder, express or imply a warranty or representation that development of a commercially viable Licensed Product within the Licensed Territory is possible, and

(D)obligate Licensor to bring suits against third parties for patent infringement.

10.5.Licensee shall make no statements, representations or warranties whatsoever to any third parties, which are inconsistent with the foregoing parts of this Article.

10.6.acknowledge that Licensee shall be fully responsible for the quality, safety and operability of all Licensed Products, and shall have sole control over, and responsibility for, the development, design, testing, promotion, marketing, sales, and other activities directed to the commercialization of Licensed Products. Licensee acknowledges that the technology embodied in the rights licensed hereunder is experimental and agrees to take all reasonable precautions to prevent death, personal injury, illness and property damage.

10.7.Licensee shall indemnify, defend and hold harmless Licensor and its directors, officers, employees, shareholders, representatives and agents (collectively, the “**Indemnitees**”) against any liability,

obligation, damage, loss, adverse impact or expense (including reasonable attorney's fees and expense of litigation) ("**Losses**") incurred by or imposed upon the Indemnitees or any one of them in connection with any claims, suits, actions, allegations, assertions, investigations, demands or judgments ("**Claims**") arising out of or related to: (a) the exercise of any rights granted under this License; (b) any breach by Licensee or its Sublicensees of this Agreement; (c) any product, process or service made, used or sold pursuant to any right or license granted under this License, under any theory of law (including, but not limited to, actions in the form of tort, warranty or strict liability) or (d) infringement of a third party's rights by a Licensed Product within the Licensed Territory.

10.8. Licensor shall give prompt notice to Licensee of the commencement of any action, suit or proceeding for which indemnification may be sought, provided that failure to do so shall not affect the rights of the Indemnitees unless, and then only to the extent that, such delay or failure is prejudicial to or otherwise adversely affects Licensee. Licensee agrees, at its own expense, to provide attorneys reasonably acceptable to Licensor to defend against any Claims brought or filed against any party indemnified hereunder with respect to the subject of indemnity contained herein, whether or not such Claims are rightfully brought; provided, however, that Licensor shall be entitled to participate in any such action, suit or proceeding to defend its own respective interests with counsel of its own choice, but at its own expense. If Licensee fails to assume the defense within a reasonable time, Licensor may assume such defense and the reasonable fees and expenses of its attorneys and any Losses will be covered by the indemnity provided for herein. Any Indemnitee shall have the right to retain its own counsel, at the expense of Licensee, if representation of such Indemnitee by the counsel retained by Licensee would be inappropriate because of actual or potential differences in the interests of such Indemnitee and any other party represented by such counsel. The Indemnitees shall cooperate in such defense as reasonably requested by Licensee, at Licensee's sole expense. Licensee agrees to keep Licensor informed of the progress in the defense and disposition of such claim and to consult with Licensor with regard to any proposed settlement. Licensee agrees that it will not settle, compromise, voluntarily dispose of or fail to defend any such action (including any cross claim, counterclaim or declaratory judgment action) without the prior written consent of Licensor, nor will it permit any Sublicensee to do the same.

11. PATENT PROSECUTION AND MAINTENANCE

11.1. Patent Prosecution.

- (A) During the Licensed Term, Licensor will diligently prosecute and maintain all rights associated with the Patent Rights and the Intellectual Property. The Patent Rights and Intellectual Property will be held in the name of Licensor. Licensor will consider any comments or suggestions by the Licensee with respect to Patent Actions, however, Licensor will have sole discretion to determine any Patent Actions, including whether to undertake any Patent Actions within any part of the Licensed Territory. Licensor is entitled to take action to preserve rights and minimize costs whether or not the Licensee has provided any comments, and will use reasonable efforts not to allow any Patent Rights or Intellectual Property to lapse or become abandoned without notifying Licensee.
- (B) Licensor will provide the Licensee with copies of each patent application, office action, response to office action, or other patent prosecution correspondence with patent offices

regarding Patent Rights as requested by the Licensee. The Licensee agrees to keep this documentation confidential as provided for in Article 23 (CONFIDENTIALITY).

- (C) Licensor shall use reasonable efforts to amend any patent application to include claims reasonably requested by the Licensee to protect the products and services contemplated to be sold, or the Licensed Method to be practiced, under this Agreement. Licensee shall bear all costs associated with such requested amendments.

11.2.Ongoing Prosecution Costs. During the Licensed Term, Licensee will bear all costs associated with the prosecution and maintenance of all rights associated with the Patent Rights and Intellectual Property within any part of the Licensed Territory.

11.3.No Ownership Challenges. Without permitting the same, if Licensee directly or indirectly brings, or assists in bringing, an Ownership Challenge, then (a) Licensee shall provide Licensor with at least sixty (60) days' notice prior to taking any such action, (b) Licensee shall pay all costs, fees and expenses associated with such Ownership Challenge that are incurred by Licensor and its representatives, including reasonable attorneys' fees and all costs associated with administrative, judicial or other proceedings, within thirty (30) days after receiving an invoice from Licensee for same; (c) the exclusive licenses granted herein above shall, as of the date of initiation of said challenge or opposition, automatically convert to a non-exclusive license for the remainder of the Licensed Term, and Licensor shall have the right to grant licenses under the Licensed Patents and Intellectual Property to third parties, subject to the then-existing non-exclusive license provided herein; and (d) at any time after the Ownership Challenge is brought, Licensor may, at its option, terminate this Agreement according to Article 10; provided that if any of subsections (a)-(d) is held invalid or unenforceable for any reason, such invalidity or unenforceability shall not affect any of the other said subsections. Notwithstanding any other provision of this Agreement, Licensee shall not have the right to assume or participate in the defense, settlement or other disposition of such Ownership Challenge, but shall pay associated costs, fees and expenses as provided herein. The parties agree that any challenge or opposition to a Licensed Patent or Licensor's ownership of any Intellectual Property by Licensee or Sublicensees may be detrimental to Licensor, and that the above provisions are reasonable in the circumstances.

12.MARKING

12.1.Licensee must mark all Licensed Products made, used or sold under the terms of this Agreement, or their containers, in accordance with the applicable patent marking and trademark laws. Licensee shall be responsible for all monetary and legal liabilities arising from or caused by (i) failure to abide by applicable patent marking and trademark laws and (ii) any type of incorrect or improper marking.

12.2.Licensee will comply with all trademark, trade name and branding guidelines provided by Licensor from time to time with respect to the use of any such elements of the Intellectual Property, and will provide Licensor with specimens of usage from time to time upon Licensor's written request.

13.INFRINGEMENT

13.1.In the event that Licensor (to the extent of the actual knowledge of the licensing professional responsible for the administration of this Agreement) or the Licensee learns of infringement of potential commercial significance of any Patent Rights or Intellectual Property licensed under this Agreement within the Licensed Territory, the knowledgeable party will provide the other (i) with written notice of such infringement and (ii) with any evidence of such infringement available to it (the “**Infringement Notice**”). During the period in which, and in the jurisdiction where, the Licensee has exclusive rights under this Agreement, neither Licensor nor the Licensee will notify a possible infringer of infringement or put such infringer on notice of the existence of any Patent Rights without first obtaining consent of the other, not to be unreasonably withheld, conditioned or delayed. Both Licensor and the Licensee will use their diligent efforts to cooperate with each other to terminate such infringement without litigation.

13.2.If infringing activity of potential commercial significance by the infringer within the Licensed Territory has not been abated within ninety (90) days following the date the Infringement Notice takes effect, then the Licensee may institute suit for patent infringement against the infringer. Licensee will be responsible for all costs and expenses of any action or proceeding against infringers which Licensee initiates. Licensor may voluntarily join such suit, but may not otherwise commence suit against the infringer for the acts of infringement that are the subject of the Licensee’s suit or any judgment rendered in that suit.

13.3.If, within a hundred and twenty (120) days following the date the Infringement Notice takes effect, infringing activity of potential commercial significance by the infringer has not been abated and if the Licensee has not brought suit against the infringer, then Licensor may institute suit for patent infringement against the infringer.

13.4.Any recovery or settlement received in connection with any suit will first be shared by Licensor and the Licensee equally to cover any litigation costs each incurred and any remaining recovery shall be paid to Licensor or the Licensee equally (50/50).

13.5.Each party will cooperate with the other in litigation proceedings instituted hereunder but at the expense of the party who initiated the suit (unless such suit is being jointly prosecuted by the parties). Any litigation proceedings will be controlled by the party bringing the suit.

14.NOTICES

14.1.Any notice required to be given to either party under this Agreement will be sent to the respective address given below and is effective: (a) on the date of delivery if delivered in person or (b) on the date of mailing if mailed by first-class certified mail or by any global express carrier service. Either party may change its designated address by written notice.

In the case of the Licensor:

1205293 B.C. Ltd.
106 Guestville Avenue
Toronto, Ontario M6N 4N6

Email: seanirishrose@gmail.com
Attention: Sean McConnell, Director

In the case of Licensee:

Organic Flower Investments Group Inc.
Suite 810 - 789 West Pender Street
Vancouver, British Columbia V6C 1H2

Email: joel@pashleth.com
Attention: Joel Dumareq, CEO and Director

15.ASSIGNABILITY

15.1.This Agreement is binding upon and inures to the benefit of Licensor, its successors and assignees. This Agreement is assignable by the Licensee only with the prior written consent of Licensor. Provided that Licensee fully complies with Section 18.2, the consent of Licensor will not be required if the assignment is in conjunction with the transfer of all or substantially all of the business of Licensor to which this license relates, or in connection with a transaction involving the listing of the share capital of the Licensee on a public securities exchange, or the acquisition of all of the share capital of the Licensee by an existing entity listed on a public securities exchange; provided, however Licensee must provide Licensor written notice within ten (10) days of such transfer. Any other attempt to assign this Agreement by the Licensee is null and void, and any other change of control of Licensee, except changes of control occurring in the ordinary course of financing of the Licensee, will be deemed to be an assignment requiring consent.

15.2.Prior to any assignment of this Agreement, all of the following terms and conditions shall be met, and if they are not met, any assignment thereof will be considered null and void with no further notice from Licensor:

- (A) Licensee must provide Licensor in writing the identity of the proposed assignee including the new assignee's contact information;
- (B) The proposed assignee shall agree in writing to be bound by all the terms and conditions of this Agreement as if such assignee were the original Licensee, and a copy of such written agreement shall be provided to Licensor; and
- (C) Licensee shall provide Licensor with evidence to demonstrate that such successor or purchaser has or is likely to acquire, in a reasonable period of time, capital and personnel resources sufficient to fulfill the obligations it is assuming hereunder.

16.WAIVER

16.1.No waiver by either party of any breach or default of any term of this Agreement will be deemed a waiver as to any subsequent and/or similar breach or default. No waiver will be valid or binding upon the parties unless made in writing and signed by a duly authorized officer of each party.

17.FORCE MAJEURE

17.1.Except for any unpaid fees that are due to Licensor, the parties shall not be responsible for any failure to perform due to the occurrence of any events beyond their reasonable control that render their performance impossible or onerous, including, but not limited to: accidents (environmental, toxic spill, etc.); acts of God; biological or nuclear incidents; casualties; earthquakes; fires; floods; governmental acts; orders or restrictions; inability to obtain suitable and sufficient labor, transportation, fuel and materials; local, national or state emergency; power failure and power outages; acts of terrorism; strike; and war.

17.2.Either party to this Agreement, however, will have the right to terminate this Agreement upon thirty (30) days' prior written notice if either party is unable to fulfill its obligations under this Agreement due to any of the causes specified in Paragraph 23.1 for a period of one (1) year.

18.GOVERNING LAWS; VENUE; ATTORNEYS' FEES

18.1.This Agreement will be interpreted and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein., but the scope and validity of any patent or patent application will be governed by the applicable laws of the country of the patent or patent application.

18.2.Any legal action brought by the parties hereto relating to this Agreement will be conducted in British Columbia, Canada

18.3.The prevailing party in any suit related to this Agreement will be entitled to recover its reasonable attorneys' fees in addition to its costs and necessary disbursements.

19.GOVERNMENT APPROVAL OR REGISTRATION

If this Agreement or any associated transaction is required by the law of any nation to be either approved or registered with any governmental agency, the Licensee will assume all legal obligations to do so. The Licensee will make all necessary filings and pay all costs including fees, penalties and all other out-of-pocket costs associated with such reporting or approval process.

20.COMPLIANCE WITH LAWS

The Licensee shall comply with all applicable international, national, provincial, state, regional and local laws and regulations in performing its obligations hereunder and in its use, manufacture, marketing, sale or import of the Licensed Products, or practice of the Licensed Method. Without limiting the generality

of the foregoing, the Licensee will comply with all United States and foreign laws on anti-corruption, anti-kickback, export or re-export control applicable to Licensee, Licensor, Sublicensees or the Licensed Products.

21.CONFIDENTIALITY

21.1.Each party acknowledges that it may have access to certain confidential information of the other party concerning the other party's business, plans, customers, technology, formulations, trade secrets, products and services ("**Confidential Information**"). Confidential Information will include, but not be limited to, the Intellectual Property, the terms and conditions of this Agreement, and all information identified as confidential or proprietary or by the nature of its disclosure, would reasonably be determined to be confidential. Each party agrees that it will not use the Confidential Information of the other party in any way, for its own account or the account of any third party (except as expressly permitted for this Agreement or in order to perform hereunder) and the receiving party will:

- (A) use the same degree of care to maintain the secrecy of the Confidential Information as it uses to maintain the secrecy of its own information of like kind but in any case no less than a reasonable standard of care;
- (B) use the confidential information only to accomplish the purposes of this Agreement; and
- (C) ensure that any employees, customers, distributors and other agents to whom the Confidential Information are subject to the confidential provisions hereof or bound by similar legally enforceable obligations of confidence and to make any such disclosures only as required to accomplish the purposes of this Agreement.

21.2.Neither party will have any confidentiality obligation with respect to the Confidential Information belonging to or disclosed by the other party that:

- (A) the receiving party can demonstrate by written records was previously known to it;
- (B) the receiving party lawfully obtained from sources under no obligation of confidentiality; or
- (C) is or becomes publicly available other than through an act or omission of the receiving party or any of its employees, contractors, or agents.

21.3.The provisions of this Article 24 (CONFIDENTIALITY) will continue in effect for five (5) years after expiration or termination of this Agreement except that Licensor's patent and formulas will continue to be subject Article 24 (CONFIDENTIALITY) indefinitely.

21.4.If a third party inquires whether a license to the Patent Rights or Intellectual Property is available, then Licensor may disclose the existence of this Agreement and the extent of the grant in Article 2 (GRANT) to such third party, but will not disclose the name of Licensee or any other negotiated terms or conditions of this Agreement to such third party.

21.5.All written confidential information will be labeled or marked confidential or proprietary.

21.6.If a receiving party is requested or required under any law (including questions, interrogatories, requests, subpoenas, civil demands or similar processes, and including regulatory bodies) to disclose any of the other party's Confidential Information, it may disclose strictly that which is required, provided that it gives the other party prompt written notice of such requirement so that the other party may contest or restrict the disclosure, and reasonably cooperates in good faith with the other party in its efforts to so restrict or contest such disclosure.

22.MISCELLANEOUS

22.1.The headings of the several sections are inserted for convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement.

22.2.This Agreement is not binding on the parties until it has been signed below on behalf of each party. It is then effective as of the Effective Date.

22.3.No amendment or modification of this Agreement is valid or binding on the parties unless made in writing and signed on behalf of each party.

22.4.This Agreement embodies the entire understanding of the parties and supersedes all previous communications, representations or understandings, either oral or written, between the parties relating to the subject matter hereof.

22.5.In case any of the provisions contained in this Agreement are held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability will not affect any other provisions of this Agreement, and this Agreement will be construed as if such invalid, illegal or unenforceable provisions had never been contained in it.

22.6.No provisions of this Agreement are intended or shall be construed to confer upon or give to any person or entity other than Licensor and the Licensee any rights, remedies or other benefits under, or by reason of, this Agreement.

22.7.In performing their respective duties under this Agreement, each of the parties will be operating as an independent contractor. Nothing contained herein will in any way constitute any association, partnership, or joint venture between the parties hereto, or be construed to evidence the intention of the parties to establish any such relationship. Neither party will have the power to bind the other party or incur obligations on the other party's behalf without the other party's prior written consent.

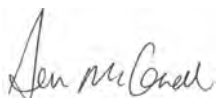
23.COUNTERPARTS AND EXECUTION

23.1.This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. Facsimile, Portable Document Format (PDF), electronic, or photocopied signatures of the parties will have the same legal validity as original signatures.

IN WITNESS THEREOF, both Licensor and the Licensee have executed this Agreement by their respective and duly authorized officers on the day and year written.

1205293 B.C. LTD.

**ORGANIC FLOWER INVESTMENTS
GROUP INC.**



Per: _____
Name: Sean McConnell
Title: Director

Per: _____
Name: Joel Dumaresq
Title: Chief Executive Officer, Director

SHARE EXCHANGE AGREEMENT

THIS SHARE EXCHANGE AGREEMENT is made as of the 6th day of May, 2019 and is

AMONG

THE PERSONS IDENTIFIED ON SCHEDULE A TO THIS AGREEMENT AS THE SELLERS,

(together, the “**Sellers**”)

AND

11353675 CANADA CORP. o/a CANABEER, a corporation incorporated under the Federal laws of Canada

(“**CanaBeer**”)

AND

ORGANIC FLOWER INVESTMENTS GROUP INC., a corporation incorporated under the laws of the Province of British Columbia

(“**SOW**”)

RECITALS:

- A. The Sellers are the registered and beneficial owners of an aggregate of 10,000 Class A shares, representing 100% of the issued and outstanding shares of CanaBeer (the “**Subject Shares**”).
- B. SOW is a reporting issuer in the provinces of British Columbia, Alberta and Ontario with its common shares listed for trading on the Canadian Securities Exchange.
- C. The Sellers wish to sell to SOW, and SOW wishes to purchase from the Sellers, 80% of the Subject Shares (the “**Purchased Shares**”) on the terms and conditions set forth in this Agreement.
- D. CanaBeer is party to a letter of intent (the “**LOI**”) with Brunswick Bierworks Inc. (“**BBW**”) whereby BBW will exclusively produce and supply cannabis-related beverages for both non-alcoholic beer and other beverage formats to CanaBeer (the “**Exclusivity Partnership**”).

IN CONSIDERATION of the premises and mutual covenants hereinafter contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the parties hereto, the parties agree with one another as follows:

1. Definitions and Interpretation

1.1 *Definitions.* Whenever used in this Agreement, the following words and terms will have the respective meanings ascribed to them below:

1.1.1 “**Agreement**” means this Share Exchange Agreement, all of the Schedules to this Share Exchange Agreement and all instruments supplemental to or in amendment or confirmation of this Share Exchange Agreement.

1.1.2 “**Assets**” means the undertaking, property and assets of CanaBeer or SOW, as the case may be, as a going concern of every kind and description, wheresoever situated.

1.1.3 “**Business**” means in the case of SOW, as applicable, its current business as presently conducted, as disclosed in the SOW Public Record.

1.1.4 “**CanaBeer Shares**” means the Class A shares in the capital of CanaBeer as they are presently constituted.

1.1.5 “**Closing**” means the completion of the purchase and sale of the Purchased Shares pursuant to this Agreement.

1.1.6 “**Closing Date**” means the date on which the purchase and sale of all of the Purchased Shares is completed, which shall be the date mutually agreed by CanaBeer and SOW, but no earlier than the execution of the definitive agreement between CanaBeer and BBW in respect of the Exclusivity Partnership.

1.1.7 “**Closing Time**” means 10:00 a.m. (Toronto time) on the Closing Date or such other time on such date as the parties may agree as the time at which the Closing will take place.

1.1.8 “**Damages**” has the meaning given in Section 6.1.

1.1.9 “**Encumbrance**” means any lien, pledge, hypothecation, charge, mortgage, security interest, encumbrance, claim, infringement, interference, option, right of first refusal, pre-emptive right, community property interest or restriction of any nature (including any restriction on the voting of any security, any restriction on the transfer of any security or other asset, any restriction on the receipt of any income derived from any asset, any restriction on the use of any asset and any restriction on the possession, exercise or transfer of any other attribute of ownership of any asset).

1.1.10 “**Exchange**” means the Canadian Securities Exchange.

1.1.11 “**Governmental Authority**” means any federal, provincial, state, municipal, county or regional government or governmental authority, domestic or foreign and includes any department, commission, board, administrative agency or regulatory body thereof.

- 1.1.12 “**IFRS**” means International Financial Reporting Standards.
- 1.1.13 “**Intellectual Property Rights**” means all patents and inventions, trademarks, trade names and styles, logos and designs, service marks, trade dress, industrial designs, internet domain names, world wide websites, website names, electronic mail addresses, copyrights, trade secrets, technical information, engineering procedures, designs, know-how and processes (whether confidential or otherwise), software, other industrial property (including applications for any of these) and other similar rights and properties.
- 1.1.14 “**Payment Shares**” has the meaning given in Section 2.2.
- 1.1.15 “**Person**” includes an individual, corporation, partnership, joint venture, trust, unincorporated organization, the Crown or any agency or instrumentality thereof or any other juridical entity.
- 1.1.16 “**Purchase Price**” has the meaning given in Section 2.2.
- 1.1.17 “**Purchased Shares**” has the meaning given in the recitals above.
- 1.1.18 “**SEDAR**” means the System for Electronic Document Analysis and Retrieval.
- 1.1.19 “**SOW Financial Statements**” means the audited consolidated financial statements of SOW for the fiscal years ended June 30, 2018 and June 30, 2017, and the unaudited consolidated financial statements of SOW for the period ended December 31, 2018, copies of which have been filed by SOW on SEDAR.
- 1.1.20 “**SOW Public Record**” means all publicly available press releases, material change reports, annual information forms, information circulars, financial statements and other documents that have been disclosed by SOW to the public and filed with any applicable Canadian or other securities regulatory authority or otherwise posted on SEDAR.
- 1.1.21 “**SOW Shares**” means the common shares in the capital of SOW as they are presently constituted.
- 1.1.22 “**Subsidiary**” means, with respect to a specified body corporate, any body corporate of which more than 50% of the outstanding shares ordinarily entitled to elect a majority of the board of directors thereof (whether or not shares of any other class or classes will or might be entitled to vote upon the happening of any event or contingency) are at the time owned directly or indirectly by such specified body corporate and will include any body corporate, partnership, joint venture or other entity over which it exercises direction or control.
- 1.1.23 “**Taxes**” means all levies and assessments imposed by any Governmental Authority, including but not limited to all income, sales, use, ad valorem, value added, franchise, withholding, payroll, employment, excise or property taxes, together with any applicable interest or penalty.

- 1.2 *Gender and Number.* In this Agreement, words importing the singular include the plural and vice versa and words importing gender include all genders.
- 1.3 *Article and Section Headings.* Article and Section headings contained in this Agreement are included solely for convenience, are not intended to be full or accurate descriptions of the content of any Article or Section and will not be considered to be part of this Agreement.
- 1.4 *Schedules.* The following Schedules are an integral part of this Agreement:
- Schedule A** – The Sellers, Purchased Shares and Payment Shares
- 1.5 *Accounting Terms.* Unless otherwise indicated, all accounting terms not otherwise defined have the meanings assigned to them, and all calculations are to be made and all financial data to be submitted are to be prepared, in accordance with IFRS.
- 1.6 *Arm’s Length.* For purposes of this Agreement, Persons are not dealing “at arm’s length” with one another if they would not be considered to be dealing at arm’s length with one another for purposes of the *Income Tax Act* (Canada) (the “**Tax Act**”), as amended.
- 1.7 *Statutory Instruments.* Unless otherwise specifically provided in this Agreement, any reference in this Agreement to any law, by law, rule, regulation, order, act or statute of any government, Governmental Authority or other regulatory body will be construed as a reference to those as amended or re-enacted from time to time or as a reference to any successor thereof.

2. Purchase and Sale

- 2.1 *Purchased Shares.* Upon and subject to the terms of this Agreement, the Sellers agree to sell, assign and transfer, free and clear of all Encumbrances, and SOW agrees to purchase, all of the Purchased Shares, as at the Closing Time on the Closing Date, in accordance with subsection 2.3.1 below.
- 2.2 *Purchase Price.* The aggregate purchase price (the “**Purchase Price**”) payable by SOW to the Sellers for the Purchased Shares shall be the issuance to the Sellers of an aggregate of 9,166,000 SOW Shares (the “**Payment Shares**”) as fully paid and non-assessable. The Payment Shares will be allocated among the Sellers as set forth in Schedule A. When issued, all Payment Shares will be subject to a hold period of six months from the date of issuance.
- 2.3 *Acknowledgements and Agreements of the Sellers.* Each of the Sellers acknowledges and agrees as follows with respect to the sale of the Purchased Shares and the receipt of the Payment Shares by such Seller pursuant to this Agreement:
- 2.3.1 Effective as at the Closing Time (i) the Sellers shall be deemed to have sold, assigned and transferred the Purchased Shares to SOW, (ii) SOW shall be delivered one or more share certificates registered as directed by SOW representing the total number of Purchased Shares, (iii) the Payment Shares shall be issued to the Sellers,

allocated among the Sellers pursuant to section 2.2 above, and evidenced by certificates delivered to the Sellers representing the Payment Shares and registered in accordance with the written instructions of the Sellers, to be provided no later than two (2) business days prior to the Closing Date, and (iv) any certificates representing the Purchased Shares held by the Sellers shall be cancelled and thereafter shall be of no further force or effect.

- 2.3.2 Such Seller has been independently advised as to the applicable hold periods imposed in respect of the Payment Shares by the securities legislation in the jurisdiction in which such Seller resides, and such Seller confirms that no representation has been made respecting the applicable hold periods for the Payment Shares and that such Seller is aware of the risks and other characteristics of the Payment Shares and of the fact that such Seller may not resell the Payment Shares except in accordance with applicable securities legislation and regulatory policy until expiry of the applicable hold periods and compliance with the other requirements of applicable law. Such Seller acknowledges that the certificates representing the Payment Shares will contain legends denoting the applicable resale restrictions, if any, and such Seller will not resell the Payment Shares except in accordance with the provisions of applicable securities legislation and Exchange rules.
- 2.3.3 Such Seller has been advised that no prospectus has been filed in connection with the issuance and granting of the Payment Shares and as the Payment Shares are being issued and granted to the Sellers pursuant to exemptions from the prospectus requirements of applicable securities laws:
- (a) most of the civil remedies applicable to the issuance and granting of securities by way of prospectus provided for in such laws are not available to such Seller;
 - (b) such Seller may not receive information that would be provided if no such exemptions were available; and
 - (c) SOW is relieved of certain obligations in respect of offerings by way of prospectus which would otherwise apply under applicable securities laws.
- 2.3.4 Such Seller will comply with any requirements imposed by the Exchange or securities legislation as a result of the shareholdings of such Seller in SOW exceeding certain thresholds, such requirements to include, without limitation, the filing of insider and early warning reports under applicable Canadian securities laws.

3. Representations and Warranties

- 3.1 *Representations and Warranties of CanaBeer.* CanaBeer represents, warrants and covenants to SOW as follows, and acknowledges that SOW is relying on these representations, warranties and covenants in entering into this Agreement and in completing the transactions contemplated hereby:

- 3.1.1 Organization and Good Standing – CanaBeer is duly incorporated or organized and validly existing under the Federal laws of Canada.
- 3.1.2 Bankruptcy – No bankruptcy, insolvency or receivership proceedings have been instituted or are pending against CanaBeer, and CanaBeer is able to satisfy its liabilities as they become due.
- 3.1.3 Due Authorization – CanaBeer has all necessary power, authority and capacity to enter into this Agreement and to perform its obligations under this Agreement. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all necessary action on the part of CanaBeer.
- 3.1.4 Authorized and Issued Capital – The authorized capital of CanaBeer consists only of an unlimited number of Class A shares and Class B shares of which at the Closing Time only 10,000 CanaBeer Shares (and no more or other classes of shares or other securities) will have been validly issued and outstanding, and as fully paid and non-assessable. The Sellers are the registered owners of all of the Purchased Shares and the Purchased Shares are held by them as set out in Schedule A.
- 3.1.5 No Options - No Person has any agreement or option or any right (whether by law, pre-emptive or contractual and including convertible securities, warrants or convertible obligations of any nature) for the purchase or the issue of either the Purchased Shares or any unissued shares in the capital stock of CanaBeer.
- 3.1.6 Enforceability of Obligations – This Agreement constitutes a valid and binding obligation of CanaBeer enforceable against CanaBeer in accordance with its terms, provided that enforcement may be limited by bankruptcy, insolvency, liquidation, reorganization, reconstruction and other similar laws generally affecting enforceability of creditors’ rights and that equitable remedies such as specific performance and injunction are in the discretion of the court from which they are sought.
- 3.1.7 Subsidiaries – CanaBeer does not have any Subsidiaries.
- 3.1.8 Assets - CanaBeer is party to the LOI. The execution and delivery of this Agreement and the performance by CanaBeer and the Sellers, and their respective obligations hereunder, do not and will not result in or constitute a breach of any term or provision of, or constitute a default, under the LOI or constitute an event which would permit BBW to terminate the LOI or to accelerate other obligations of CanaBeer. The LOI has been provided to SOW to review and there are no other representations, warranties and covenants with BBW other than set out in the LOI.
- 3.1.9 No Other Liabilities – There are no liabilities, contingent or otherwise, of CanaBeer which are not disclosed to SOW. CanaBeer has not guaranteed, or agreed to guarantee, any debt, liability or other obligation of any Person. There are no liabilities of any Person capable of creating an Encumbrance on any of CanaBeer’s Assets.

3.1.10 Litigation (CanaBeer) – There is no suit, action, litigation, arbitration proceeding or governmental proceeding, including appeals and applications for review, in progress, pending or to the knowledge of CanaBeer, threatened against or relating to CanaBeer. There is not presently outstanding against CanaBeer any judgement, decree, injunction, rule or order of any court, Governmental Authority, commission, agency, instrumentality or arbitrator, which could, in the aggregate, be reasonably be expected to have a materially adverse effect with respect to CanaBeer, taken as a whole.

3.2 *Representations and Warranties of the Sellers:* Each Seller severally (and not jointly or jointly and severally) makes the following representations and warranties to SOW and acknowledges that SOW is relying on such representations and warranties in entering into this Agreement and in completing the transactions contemplated under this Agreement:

3.2.1 The Purchased Shares – Such Seller is the legal and beneficial owner of the number of Purchased Shares shown as held by such Seller on Schedule A and on Closing SOW will acquire good and marketable title to such Purchased Shares free and clear of all Encumbrances.

3.2.2 No Option - No Person has any agreement or option or any right (whether by law, pre-emptive or contractual and including convertible securities, warrants or convertible obligations of any nature) for the purchase or the issue of the Purchased Shares.

3.2.3 Litigation (Shares) – There is no suit, action, litigation, arbitration proceeding or governmental proceeding, including appeals and applications for review, in progress, pending or threatened against such Seller relating to the Purchased Shares.

3.2.4 Enforceability of Obligations – When executed and delivered, this Agreement will constitute valid and legally binding obligations enforceable against such Seller in accordance with its terms subject, however, to limitations with respect to enforcement imposed by law in connection with bankruptcy or similar proceedings and to the extent that equitable remedies such as specific performance and injunction are in the discretion of the court from which they are sought.

3.2.5 Residence – Such Seller is resident in the jurisdiction set out opposite its name on Schedule A.

3.2.6 Corporate Seller – If the Seller is a corporation:

- (a) it is duly incorporated or organized and validly existing in its jurisdiction of incorporation and is in good standing with respect to the filing of annual reports; and
- (b) it has all necessary power, authority and capacity to enter into this Agreement and to perform its obligations under this Agreement; and the execution and delivery of this Agreement and the consummation of the

transactions contemplated hereby have been duly authorized by all necessary action on the part of such Seller.

- 3.3 *Representations and Warranties of SOW.* SOW hereby represents, warrants and covenants to CanaBeer and the Sellers as follows and acknowledges that CanaBeer and the Sellers are relying on these representations, warranties and covenants in entering into this Agreement and in completing the transactions contemplated under this Agreement:
- 3.3.1 *Organization and Good Standing* – SOW is duly incorporated or organized and validly existing under the laws of the Province of British Columbia, Canada.
 - 3.3.2 *Bankruptcy* – No bankruptcy, insolvency or receivership proceedings have been instituted or are pending against SOW, and SOW is able to satisfy its liabilities as they become due.
 - 3.3.3 *Capacity to Carry on Business* – SOW has all necessary corporate power, authority and capacity to own its Assets and to carry on its business as presently owned and carried on by it and SOW is duly licensed, registered and qualified as a corporation to do business and is in good standing in each jurisdiction in which the nature of its business makes such qualification necessary.
 - 3.3.4 *Due Authorization* – SOW has all necessary power, authority and capacity to enter into this Agreement and to perform its obligations under this Agreement. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all necessary action on the part of SOW.
 - 3.3.5 *Authorized and Issued Capital* – The authorized capital of SOW consists of an unlimited number of common shares, of which 201,125,867 SOW Shares have been validly issued and are outstanding as fully paid and non-assessable.
 - 3.3.6 *Absence of Conflicting Agreements* – The execution and delivery of this Agreement and the performance by SOW and its obligations hereunder do not and will not:
 - (a) result in the violation of any applicable laws;
 - (b) result in or constitute a breach of any term or provision of, or constitute a default under, any constating documents of SOW or any agreement to which SOW is a party or its Assets are bound; or
 - (c) constitute an event which would permit any party to any agreement with SOW to terminate such agreement or to accelerate the maturity of any indebtedness or other obligation of SOW.
 - 3.3.7 *Consents* – There are no consents, authorizations, licenses, agreements, permits, approvals or orders of any Person or Governmental Authority required to permit

SOW to complete the transactions contemplated by this Agreement other than those that have already been obtained by SOW and disclosed by SOW to CanaBeer.

- 3.3.8 Rights and Privileges – There are no rights, privileges or advantages presently enjoyed by SOW which might be lost as a result of the consummation of the transactions contemplated under this Agreement.
- 3.3.9 Enforceability of Obligations – This Agreement constitutes a valid and binding obligation of SOW enforceable against SOW in accordance with its terms, provided that enforcement may be limited by bankruptcy, insolvency, liquidation, reorganization, reconstruction and other similar laws generally affecting enforceability of creditors’ rights and that equitable remedies such as specific performance and injunction are in the discretion of the court from which they are sought.
- 3.3.10 Books and Records – The books and records of SOW are fully and accurately maintained and its books of account provide for all excise, sales, business and property taxes and other rates, charges, assessments, levies, duties, taxes, contributions, fees, licenses and other governmental charges of whatsoever kind and nature that have become due and payable or, to the extent such amount is material, that may become due and payable before the Closing Time. The minute books of SOW are complete and accurate in all material respects and reflect all material actions taken and resolutions passed by the directors and shareholders, as the case may be, of SOW, since the date of incorporation or organization.
- 3.3.11 Financial Statements – The SOW Financial Statements are true and correct in every material respect and present fairly the Assets, liabilities and financial position of SOW as at December 31, 2018, and the results of its operations to that date, in accordance with IFRS applied on a basis consistent with that of previous periods.
- 3.3.12 The Payment Shares – On Closing the Payment Shares:
- (a) will be issued to the Sellers as fully paid and non-assessable SOW Shares;
 - (b) will be duly registered in the names of the Sellers in the books and registers of SOW; and
 - (c) will be conditionally approved for listing and posting for trading on the Exchange, subject only to satisfying any conditions stipulated by the Exchange for listing.
- 3.3.13 SOW Public Record – The SOW Public Record is, in all material respects, accurate and complete and omits no facts, the omission of which makes the SOW Public Record or any particulars therein, materially misleading or incorrect at the time such statements were made. SOW has not filed any confidential material change reports which are, as of the date of this Agreement, maintained on a confidential basis. Except as disclosed in the SOW Public Record, there is no fact known to SOW which has, or so far as SOW which has, or so far as SOW can reasonably

foresee, will have a material adverse effect, or which would otherwise be material to any person intending to make an investment in SOW.

3.4 Survival. The representations, warranties and covenants made by the parties in sections 3.1, 3.2, and 3.3 shall terminate (and be of no further force or effect) on the earlier of: (a) the termination of this Agreement in accordance with its terms; and (b) the Closing Time.

4. Covenants

4.1 *Covenants of CanaBeer and the Sellers.* Until the earlier of the Closing Time or the termination of this Agreement in accordance with its terms, each of the Sellers and CanaBeer severally (and not jointly or jointly and severally) hereby covenants and agrees with SOW as follows:

4.1.1 *Necessary Consents.* The Sellers and CanaBeer shall use commercially reasonable efforts to obtain all approvals or consents as are required to complete the transactions contemplated by this Agreement, including those of the directors and shareholders of CanaBeer or any applicable Governmental Authority; and if applicable, of BBW with respect to the Exclusivity Partnership.

4.1.2 *Satisfaction of Conditions Precedent.* Each of the Sellers and CanaBeer shall use commercially reasonable efforts to satisfy or cause to be satisfied the conditions precedent in Section 5.3 which are within his, her or its control.

4.1.3 *All other Actions.* The Sellers and CanaBeer shall cooperate fully with SOW, and will use all commercially reasonable efforts to assist SOW in its efforts to complete the transactions contemplated by this Agreement, unless such cooperation and efforts would subject the Sellers or CanaBeer to any extraordinary cost or liability or would be in breach of any applicable statutory or regulatory requirements.

4.2 *Covenants of SOW.* SOW hereby covenants and agrees with the Sellers and CanaBeer as follows:

4.2.1 *Necessary Consents.* SOW shall use commercially reasonable efforts to obtain all approvals or consents as are required to complete the transactions contemplated by this Agreement, including those of the directors and shareholders of SOW, the Exchange or any applicable Governmental Authority.

4.2.2 *Satisfaction of Conditions Precedent.* SOW shall use commercially reasonable efforts to satisfy or cause to be satisfied the conditions in section 5.1 which are within its control.

4.2.3 *All other Actions.* SOW shall cooperate fully with the Sellers and CanaBeer and will use all commercially reasonable efforts to assist the Sellers and CanaBeer in their efforts to complete the transactions contemplated by this Agreement, unless such cooperation and efforts would subject SOW to any extraordinary cost or liability or would be in breach of any applicable statutory or regulatory requirements.

4.2.4 *Material Changes.* SOW shall promptly advise CanaBeer in writing of any event, change or development that has or is reasonably expected to have an adverse effect in respect of the SOW or the transactions contemplated hereunder.

4.2.5 *Funding of Beverage Business.* Subsequent to Closing and SOW owning 80% of the issued and outstanding capital of CanaBeer, SOW shall fund 100% of the costs in connection with CanaBeer's obligations under the Exclusive Partnership with BBW.

5. **Conditions Precedent**

5.1 *Conditions Precedent for the Benefit of CanaBeer and the Sellers.* The obligation of CanaBeer and each of the Sellers to complete the transactions contemplated by this Agreement are subject to the satisfaction of, or compliance with, at or before the Closing Time, each of the following conditions precedent (each of which is hereby acknowledged to be inserted for the exclusive benefit of CanaBeer and each of the Sellers and may be waived by him, her or it in whole or in part):

5.1.1 *Truth of Representations and Warranties –* The representations and warranties of SOW contained in this Agreement will be true and correct on and as of the Closing Date as though made at and as of the Closing Date.

5.1.2 *Covenants and Agreements –* SOW will have satisfied and complied with all covenants and agreements in this Agreement agreed to be performed or caused to be performed by SOW on or before the Closing Time.

5.1.3 *Consents –* All consents, approvals, orders and authorizations of or from Governmental Authorities or the Exchange required in connection with the completion of the transactions contemplated by this Agreement will have been obtained on or before the Closing Time on terms and conditions satisfactory to CanaBeer, including the conditional approval of the listing of the Payment Shares.

5.1.4 *No Material Adverse Change –* No material adverse change (nor any condition, event or development involving a prospective material adverse change) shall have occurred in the Business, Assets, operations, capital or financial condition of SOW.

5.1.5 *Closing Documents –* SOW will have tendered the documents to be delivered by it at Closing in accordance with this Agreement.

5.1.6

Shareholders Agreement – The Sellers and SOW shall have entered into a shareholders' agreement with respect to their ownership of CanaBeer and the management of its affairs.

5.2 *Non-satisfaction of Conditions.* If any of the conditions set forth in Section 5.1 are not fulfilled or waived to the reasonable satisfaction of CanaBeer and each of the Sellers, CanaBeer and each of the Sellers may, acting reasonably, terminate this Agreement by

notice in writing to SOW. In such event, CanaBeer and each of the Sellers will be released from all obligations under this Agreement and SOW will also be so released unless they were reasonably capable of causing such condition or conditions to be fulfilled or they have breached any of their representations, warranties, covenants or agreements in this Agreement.

- 5.3 *Conditions Precedent for the Benefit of SOW.* The obligations SOW to complete the transactions contemplated by this Agreement are subject to the satisfaction of, or compliance with, at or before the Closing Time, each of the following conditions precedent (each of which is hereby acknowledged to be inserted for the exclusive benefit of each of SOW and may be waived by it in whole or in part):
- 5.3.1 *Truth of Representations and Warranties* – The representations and warranties of each of CanaBeer and the Sellers contained in this Agreement will be true and correct on and as of the Closing Date as though made at and as of the Closing Date.
 - 5.3.2 *Covenants and Agreements* – Each of CanaBeer and the Sellers will have complied with all covenants and agreements in this Agreement agreed to be performed or caused to be performed by it on or before the Closing Time.
 - 5.3.3 *Consents* – All consents, approvals, orders and authorizations of or from Governmental Authorities or the Exchange required in connection with the completion of the transactions contemplated by this Agreement will have been obtained on or before the Closing Time on terms and conditions satisfactory to the Sellers, including the approval of BBW in connection with the LOI or the Exclusivity Partnership, if applicable.
 - 5.3.4 *No Material Adverse Change* – No material adverse change (nor any condition, event or development involving a prospective material adverse change) shall have occurred in the Business, Assets, operations, capital or financial condition of SOW.
 - 5.3.5 *Closing Documents* –CanaBeer and each of the Sellers will have tendered the documents to be delivered by it at Closing in accordance with this Agreement, including without limitation, the tender of all of the Purchased Shares.
- 5.4 *Non-satisfaction of Conditions.* If any of the conditions set forth in Section 5.3 are not fulfilled or waived to the reasonable satisfaction of SOW, SOW may, acting reasonably, terminate this Agreement by notice in writing to CanaBeer and each of the Sellers. In such event SOW will be released from all obligations under this Agreement and CanaBeer and each of the Sellers will also be so released unless it was reasonably capable of causing such condition or conditions to be fulfilled or it has breached any of its representations, warranties, covenants or agreements in this Agreement.
- 5.5 *Waivers.* Each of the parties on his, her or its behalf, may waive any condition for his, her or its benefit in this Agreement, in whole or in part, without prejudice to any right of rescission or any other right in the event of the non-fulfilment of any other condition or conditions. A waiver will only be binding if it is in writing.

6. Indemnification

- 6.1 *Indemnification by SOW.* SOW agrees to indemnify and save harmless CanaBeer from and against any and all losses, debts, obligations, liabilities, expenses, costs and damages (including reasonable legal fees) (collectively, the “**Damages**”) suffered or incurred by CanaBeer as a result of any breach of, or untruth of, any of the covenants, warranties or representations contained in section 3.3 and 4.2 of this Agreement.
- 6.2 *Indemnification by CanaBeer and each of the Sellers.* CanaBeer and each of the Sellers agree to indemnify and save harmless SOW from and against any and all Damages suffered or incurred by SOW as a result of any breach of, or untruth of, any of the covenants, warranties or representations contained in section 3.1, 3.2 or 4.1 of this Agreement.

7. Closing Arrangements

- 7.1 The closing of this transaction shall take place at the offices of SOW on the Closing Date.
- 7.2 On the Closing Date, CanaBeer and each of the Sellers shall deliver, or cause to be delivered, to SOW such documents as may reasonably be required to perfect the transactions contemplated by this Agreement and SOW shall deliver, or cause to be delivered, to CanaBeer and the Sellers such documents as may reasonably be required to perfect the transactions contemplated by this agreement.

8. Notices

- 8.1 *Delivery of Notice.* Any notice, direction or other instrument required or permitted to be given by any party under this Agreement will be in writing and will be sufficiently given if delivered personally or by courier, or transmitted by fax or email means during the transmission of which no indication of failure of receipt is communicated to the sender:

- 8.1.1 in the case of CanaBeer and the Sellers:

69 Yonge street, #17069
Toronto, Ontario M5E 1K3

Attention: Chief Operating Officer

- 8.1.2 in the case of SOW:

Organic Flower Investments Group Inc.
Suite 810-789 West Pender Street
Vancouver, British Columbia V6C 1H2

Attention: Chief Financial Officer
Email: theo@pashleth.com

8.2 *Receipt of Notice.* Any such notice, direction or other instrument, if delivered personally, will be deemed to have been given and received on the date on which it was received at such address and, if sent by fax or email, will be deemed to have been given and received on the date of transmission in accordance with this Section.

9. Termination

9.1 *Grounds for Termination.* This Agreement may be terminated at any time before the Closing:

9.1.1 by the mutual agreement of SOW and CanaBeer;

9.1.2 by either CanaBeer or SOW if it is not in material breach of its obligations under this Agreement, and if there has been a breach by the other of any of its representations and warranties or covenants hereunder and in either case such breach has not been cured within ten days after written notice, specifying such breach, to such Party; or

9.1.3 by SOW or CanaBeer if the Closing Date is not on or before June 30, 2019 or such later date as may be agreed in writing by SOW and CanaBeer.

9.2 *Effect of Termination.* If this Agreement is terminated as provided in Section 9.1, it will, except as provided herein, forthwith become void, and, subject to Sections 3.4, 5.2 and 5.4 none of the parties or their respective officers, directors, employees, agents, or shareholders will have any liability or obligation with respect to the terminated provisions of the Agreement. Sections 3.4, 5.2, 5.4, 11.3 and 11.4 will survive termination of this Agreement and will continue to be in effect notwithstanding the termination of this Agreement.

10. Power of Attorney

10.1 Each of the Sellers hereby severally and irrevocably appoints CanaBeer as their attorney to take any action that is required and hereby authorizes any director or officer of CanaBeer, on behalf of CanaBeer, to sign any documents on their behalf, including without limitation, for the purposes of all Closing matters and deliveries of documents and to do and cause to be done all such acts and things as may be necessary or desirable in connection with the transactions contemplated hereunder, including the sale, assignment and transfer of the Purchased Shares to SOW. Without limiting the generality of the foregoing, CanaBeer may, on behalf of itself and the Sellers, extend the Time of Closing, modify or waive such conditions as are contemplated herein, negotiate, settle and deliver the final forms of this Agreement and any other documents that are necessary or desirable to give effect to the transactions contemplated herein.

11. General Provisions

11.1 *Entire Agreement.* This Agreement, including all the Schedules hereto, together with the agreements and other documents to be delivered pursuant hereto, constitutes the entire

agreement among the parties pertaining to the subject matter hereof and supersedes any and all prior agreements, understandings, negotiations and discussions, whether oral or written, of the parties and there are no warranties, representations or other agreements among the parties in connection with the subject matter hereof except as specifically set forth herein and therein.

- 11.2 *Costs and Expenses.* Each party shall be responsible for its' respective costs and expenses in connection with the transactions contemplated herein.
- 11.3 *Confidentiality.* Until the Closing Time, and in the event of the termination of this Agreement without consummation of the transactions contemplated by this Agreement, for a period of two years from the date of this Agreement, each party to this Agreement will keep confidential any information obtained from the other parties, provided that a party may disclose confidential information (i) to those of its representatives and professional advisors who have a need to know the information in connection with providing advice with respect to this Agreement and the transactions contemplated thereby if such representatives and advisors commit to protect such information in a manner consistent herewith or (ii) if such disclosure is required by law or the rules of the Exchange or over Governmental Authority or (iii) if such information has been made public other than as a result of a breach of this Section. If this Agreement is terminated without consummation of the transactions contemplated thereby, promptly after such termination all documents, work papers and other written material obtained from a party in connection with this Agreement and not theretofore made public (including all copies and photocopies thereof), shall be returned to the party that provided such material.
- 11.4 *Public Announcements.* Neither SOW nor CanaBeer will, without the prior consent of the others, make any disclosure regarding the existence, purpose, scope, content, terms or conditions of this Agreement or other agreements relating to this Agreement except in order to comply with a legal obligation, the requirements of a competent Government Authority or the requirements of the Exchange; provided that, where practicable, a copy of any proposed announcement or statement will be furnished to the other parties in advance of the proposed date of publication. Nothing herein will prevent disclosure of the terms of this Agreement to a corporate party's directors, officers, employees or agents or its financial, legal, accounting or other advisors.
- 11.5 *Waiver.* The failure of a party in any one or more instances to insist upon strict performance of any of the terms of this Agreement or to exercise any right or privilege arising under it will not preclude it from requiring by reasonable notice that any other party duly perform its obligations or preclude it from exercising such a right or privilege under reasonable circumstances, nor will waiver in any one instance of a breach be construed as an amendment of this Agreement or waiver of any later breach.
- 11.6 *Assignment.* None of the parties will assign, transfer, charge or otherwise encumber the benefit (or any part thereof) or the burden (or any part thereof) of this Agreement without the prior written consent of the other parties, such consent not to be unreasonably withheld.

- 11.7 *Further Assurances.* Each of the parties hereto will from time to time at the request of any of the other parties hereto and without further consideration, execute and deliver all such other additional assignments, transfers, instruments, notices, releases and other documents and will do all such other acts and things as may be necessary or desirable to assure more fully the consummation of the transactions contemplated hereby.
- 11.8 *Time.* Time will be of the essence of this Agreement.
- 11.9 *Amendment.* This Agreement may be amended or varied only by agreement in writing signed by each of the parties. Unless the context otherwise so requires, a reference to this Agreement includes a reference to this Agreement as amended or varied from time to time.
- 11.10 *Several.* Unless otherwise provided, each and every covenant, representation or warranty of the Sellers contained herein is several (and not joint or joint and several).
- 11.11 *Severability.* If any provision of this Agreement is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability will attach only to such provision or part thereof and the remaining part of such provision and all other provisions hereof will continue in full force and effect.
- 11.12 *Governing Law.* This Agreement will be governed by and interpreted in accordance with the laws from time to time in force in the Province of Ontario and each of the parties hereby attorns to the non-exclusive jurisdiction of the courts of the Province of Ontario, sitting in Toronto.
- 11.13 *Benefit of Agreement.* This Agreement will enure to the benefit of and be binding upon each of the parties hereto who is a corporation and their respective successors and permitted assigns and upon each of the parties hereto who is an individual and their respective executors, personal representatives, heirs, successors and permitted assigns.
- 11.14 *Counterparts.* This Agreement may be executed in as many counterparts as are necessary. It will be binding on each party when each party hereto has signed and delivered one such counterpart. Delivery may be made by facsimile or other electronic transmission. When a counterpart of this Agreement has been executed by each party, all counterparts together will constitute one agreement.

12. Section 85 Election

- 12.1 It is intended that the transfer hereunder of the Purchased Shares be on a tax deferred basis to the Sellers for purposes of the Tax Act and applicable provincial income tax statutes. In order to give effect to this intention, the Sellers and SOW shall, in a timely manner, jointly execute and file elections under Section 85 of the Tax Act in prescribed form and elections in prescribed form under the corresponding provisions of applicable provincial income tax statutes in respect of the transfer hereunder of the Purchased Shares. The elected amounts (the “**Elected Amounts**”) for purposes of each such election will be determined by the Sellers in a manner consistent with the above-described intention.

- 12.2 If the Sellers and SOW subsequently mutually determine, or if the Canada Revenue Agency or any other taxing authority issues, or proposes to issue, assessments or reassessments of additional liability for taxes or in respect of any other matter by reason of asserting that an elected amount is more or less than the Elected Amounts for the Purchased Shares as determined by the Sellers, then the Elected Amounts shall be increased or decreased as necessary but only to the extent that the Elected Amounts so revised is acceptable to the parties hereto, as the case may be, or is established by a court of competent jurisdiction (after all appeal rights have been exhausted or all time periods for appeal have expired without appeals having been taken) to be the Elected Amounts, as the case may be.
- 12.3 If an Elected Amount is varied in the circumstances described in 12.2 above, the Sellers and SOW shall file a revised election(s) under the provisions of subsection 85(1) of the Tax Act and the corresponding provisions of all applicable provincial income tax statutes to give effect to the variation.

THE PARTIES, intending to be contractually bound, have executed this Agreement as of the date and year first above written.

**11353675 CANADA CORP. o/a
CANABEER**

By:



(Authorized Signatory)

**ORGANIC FLOWER INVESTMENTS GROUP
INC.**

By:



(Authorized Signatory)

SELLERS:

NONPAREIL INITIATIVES INC.

By:



(Authorized Signatory)

SIGNED, SEALED & DELIVERED

In the presence of:



Witness



THAO NGUYEN



CONTRACT BREWING SERVICES AGREEMENT

This Contract Brewing Services Agreement ("Agreement") is made this 2nd of May 2019, by and between Brunswick Bierworks Inc., a corporation incorporated pursuant to the laws of Ontario, Canada, with its principal place of business at 25 Curity Ave, Toronto Ontario, Canada ("Brewer") and 11353675 Canada Corp a corporation incorporated pursuant to the laws of Ontario, Canada, with its principal place of business at 47 Colborne Street, Unit 402, Toronto, ON Canada ("Company").

RECITALS

WHEREAS, Brewer is engaged in the business of brewing and packaging brewed alcoholic and non-alcoholic beverages in Canada, including in the Province of Ontario;

WHEREAS, Company owns, controls or possesses certain recipes, formulae and/or specifications for cannabis related beverages from brewed non-alcoholic beer as well as the right to use certain names, design, slogans, and logos as trademarks (the "Trademarks") in conjunction therewith; and

WHEREAS, Company desires to have certain of such cannabis related beverages from brewed non-alcoholic beer brewed, and packaged by Brewer under the trademarks identified below, and Brewer desires to do so on an exclusive basis.

NOW, THEREFORE, in consideration of the promises and covenants set forth herein, the adequacy and sufficiency of which are hereby acknowledged, the parties, in good faith, agree as follows:

1. Licence Grant

Company hereby grants, and Brewer hereby accepts, the right and license to brew and package cannabis related beverages from non-alcoholic beer and other beverage formats (the "Product(s)"), for which Company owns, controls or possesses all recipes, formulae, and specifications, in Canada (the "Territory"). All such Products shall be prepared by the Brewer in accordance with the terms, conditions and processes as set forth on Schedule B.

2. Term

This Agreement shall become effective and binding upon the parties on the date set forth above and shall remain in effect for a period of forty-two (42) months from such date, unless earlier terminated as provided herein (the "Initial Term"). Either party shall be entitled, not less than six (6) months prior to the expiration of the Initial Term, to give notice to the other of the termination of this Agreement upon the expiration of the Initial Term. In the absence of such written notice from either party to the other terminating this

Agreement on the expiration of the Initial Term, this Agreement shall continue indefinitely thereafter subject to the right to either party to terminate this Agreement at any time, without cause, upon the giving to the other of not less than six (6) months notice of such termination, and, in such event, this Agreement shall be terminated on the date specified in such notice.

3. **Duties of the Company**

- (a) **Proprietary Information.** Company shall provide Brewer with recipes, formulae and specifications for the Products as well as the Product flavour profiles, packaging materials and instructions and such other information and materials as are required under the terms of this Agreement or as may be reasonable and necessary for Brewer to carry out the terms of this Agreement (the "**Proprietary Information**"). Company will own and maintain ownership of the Proprietary Information, the ingredients and the Product throughout the stages of production of the Product. The Brewer shall take all commercially reasonable efforts to ensure that the Company's Proprietary Information is stored in a safe manner and at all times secured.
- (b) The Company will, at all times, provide ingredients for inclusion in the Products which comply with the requirements of Schedule B;
- (c) With respect to the first three (3) 20 hectolitre batches (the "**Initial Batches**") of each Product produced by Brewer, the Company will be responsible for all costs and fees associated with such Initial Batches, whether or not the Product constituting such Initial Batches are deemed to be of merchantable quality;
- (d) The Company will ensure that its personnel and any guests that the Company may wish to have attend at the Brewer's facilities will, at all times, comply with the "Visitors (Customer) Policy", a copy of which is attached as Schedule C; and
- (e) Subject to prior approval from the Company, the Company will allow the Brewer, at all times during the term of this Agreement to utilize images of the Company's Products as produced by the Brewer, including, without limitation, the Products and their packaging, for the purpose of the Brewer's marketing activities, including any on-line and/or social media applications and the license granted pursuant to Section 1 above shall be extended to include such purposes on condition that such use is in compliance with Health Canada cannabis advertising regulations permit.

4. **Duties of Brewer**

- (a) **Brewing and Packaging of Products.** Brewer shall brew and package the Products according to Company's instructions/specifications. The Company shall be in control and supervise the production of the beer that is being produced for sale under this Agreement.
- (b) **Product Orders and Shipments.** Brewer shall produce the Products in quantities sufficient to meet the needs of customers in the Territory, provided that it is

furnished with a written firm order for Products (the "**Order**") from Company not less than sixty (60) days in advance of the requested Product packaging date, which Orders shall be in writing. Each Order shall state the quantity of each Product to be brewed and packaged and shall provide detailed packaging instructions. Brewer shall not be required to brew and package less than 50 hectoliters with respect to any individual Order.

- (c) **Books and Records.** Brewer shall maintain the books and records to clearly distinguish any production, storage and shipping carried out for the Company.

5. **Insurance**

- (a) **Product Liability Insurance.** Brewer and Company shall each, at its own expense, obtain and maintain adequate product liability insurance during the term of the Agreement, and any extension hereof (collectively referred to as the "Policy"), in an amount not less than Five Million Dollars (\$5,000,000.00) per incident and Five Million Dollars (\$5,000,00.00) in the aggregate. Each party shall provide the other with a certificate of insurance evidencing the existence of the Policy no later than fifteen (15) days prior to the first requested ship date and the Policy shall provide that the other party shall be given notice by said insurance company at least ten (10) days prior to the cancellation or expiration of the Policy.
- (b) **Other Insurance.** Brewer shall procure and maintain in full force and effect public liability, bodily injury and public liability property damage insurance policies with limits customary in the trade. Brewer shall add Company to such policies as an additional insured as applicable and Brewer shall provide company with proof of such insurance annually.

6. **Indemnification**

- (a) **Product Liability Indemnity.** Brewer shall indemnify and hold harmless Company and all of its affiliates from and against any and all loss, liability, cost or expense of any nature whatsoever, including reasonable legal fees (collectively, "Product Liability Damages"), arising out of or associated with all claims made against Company by any party or parties for personal injury or property damage caused by impurities, defects, or adulteration of any kind in the Products manufactured and/or packaged by Brewer, regardless of when manufactured or packaged; except to the extent that Product Liability Damages were caused solely by (A) Company's improper storage, handling, or alteration of the Products in question; (B) packaging materials or ingredients provided, purchased, specified or otherwise approved by Company subsequent to written notice from Brewer reasonably advising that such packaging materials or ingredients should not be used in the Products for health and safety reasons.
- (b) **Other Indemnities by Company.** If any demand, claim or action is made or threatened against Brewer for (a) trademark infringement, unfair competition or interference with a contract to which Company is a party, asserted as a result of

Brewer's lawful performance of its obligations under the terms of this Agreement, or (b) violation of alcohol laws and regulations due to marketing practices of the Company in respect of the Products, Company shall defend, indemnify and hold Brewer harmless from any loss, damage, liability, or expense, including reasonable legal fees, for which Brewer may be liable and pay in response to any such demand, claim or action, including but not limited to Brewer's cost for any Products that must be destroyed, recalled or otherwise not saleable as a result of the resolution of any such demand and claim or action, and Brewer's cost for packaging materials and labels for any such materials that must be destroyed, recalled or are otherwise not useable as a result of any such demand, claim or action.

- (c) **Other Indemnities by Brewer.** Brewer agrees to defend, indemnify and hold Company harmless against any and all claims, costs, expenses, losses, causes of action (including reasonable legal fees and costs), damages or liabilities on account of the death and/or injury to any person(s) or damage to any property arising out of, due to, or in any way connected with (i) Brewer's failure to produce and package the Products in accordance with the specifications and processes provided to Brewer by Company, and/or (ii) any act, omission or failure to act by Brewer, its employees, agents or representatives, which act, omission or failure to act is in violation of Brewer's obligations under this Agreement and/or (iii) any violation of alcohol laws and regulations by Brewer or due to any act or omission of the Brewer in respect of the Products.

7. **Price**

- (a) **Price.** Company shall pay Brewer for Products produced on its behalf an amount (the "**Price**") equal to the sum of (i) a processing charge or brewing fee (the "**Fixed Charge**") as set forth under the Leading "Fixed Charge" on the attached Schedule B. The Price includes applicable federal Excise Tax and certain packaging materials, and includes labour, overhead, profit, and other costs incurred in the production of Products. The Price does not include HST.
- (b) **Payment.** Brewer shall invoice Company for the Products on the date the Products are shipped. All payments are due five (5) business days from Brewer's invoice on all shipments. If Company has not tendered payment thirty (30) days from Brewer's invoice, Brewer may charge Company interest on the due amount from the thirty-first (31st) day from the date of Brewer's invoice until such payment is made at a rate of 10% per annum. Brewer's right to charge such interest is not in lieu of any other right Brewer may have against Company for breach of this Agreement.
- (c) **Warehousing.** Company is responsible for the cost of warehousing any Products that have not been shipped within thirty (30) days of the Packaging Date. These costs are set out in the attached Schedule B.

8. **Representations and Warranties**

- (a) **Brewer's Representations and Warranties.** Brewer represents and warrants to Company as follows, acknowledging that Company is relying on these representations and warranties:
- (i) All Products will be brewed and packaged in accordance with Company's specifications.
 - (ii) Brewer will follow good manufacturing practices in the production of the Products and all Products, other than the first three (3) batches of any Product (the "**Initial Batches**"), shall be of a good and merchantable quality and fit for the purpose for which they are intended to be used. The Initial Batches shall be considered as trial batches and may or may not be suitable for public sale.
 - (iii) The production, packaging, distribution and marketing by Brewer of the Products, pursuant to the terms and conditions of this Agreement, are in accordance with all applicable domestic laws and regulations dealing with the production, storage, distribution and sale of Products containing alcohol and cannabis
 - (iv) Brewer currently has, and shall maintain during the term of this Agreement, a license issued by the Alcohol and Gaming Commission of Ontario ("AGCO") as well as all other licenses, permits, registrations and certificates of approval as are necessary to brew and package the Products in the Territory.
- (b) **Company's Representations and Warranties.** Company represents and warrants to Brewer as follows, acknowledging that Brewer is relying on this representation and warranty:
- (i) Company currently has, and shall maintain during the term of this Agreement, a license issued by the Alcohol and Gaming Commission of Ontario ("AGCO") as well as all other licenses, permits, registrations and certificates of approval as are necessary to package and sell the Products in the Territory.

9. **Exclusivity**

Company shall not, without the prior consent of Brewer, engage any other brewer for the purpose of producing any cannabis related beverages for both non-alcoholic beer and other carbonated beverage formats to be sold in Canada.

Brewer shall not, without the prior consent of the Company, engage any other party for the purpose of producing any cannabis related beverages for both non-alcoholic beer and other

beverage formats to be sold in Canada. For clarity, the exclusivity does not cover existing clients of the Brewer.

10. **Relationship of the Parties**

The parties shall be deemed independent contractors. Nothing herein contained shall be construed to create any partnership, joint venture, agency or employment relationship between the parties. Neither party shall have the power or right to bind the other party to any third party, and each party shall be responsible exclusively for its own taxes and expenses related to doing business.

11. **Termination**

- (a) That this Agreement may be terminated on six (6) months written notice by either party for any reason whatsoever.
- (b) If either party commits a material breach, the non-breaching party may terminate this Agreement effective on ninety (90) days' notice to the party in breach, unless the breach is cured before the end of that period.
- (c) This Agreement will automatically terminate without Notice upon the occurrence of any of the following events relating to the Brewer and its successor or permitted assign:
 - (i) an assignment in bankruptcy is filed,
 - (ii) an adjudication of bankruptcy is made,
 - (iii) a petition in bankruptcy is filed,
 - (iv) insolvency occurs,
 - (v) an assignment for the benefit of creditors is made,
 - (vi) an arrangement under any bankruptcy law is made,
 - (vii) discontinuance of the Brewer's business occurs, or
 - (viii) a receiver is appointed of all or substantially all of the Brewer's business or assets.
- (d) Upon the effective date of the termination or expiration of this Agreement,
 - (i) Brewer shall:
 - (A) immediately cease to use the Trademarks, and any other property belonging to, or received from Company that is in Brewer's control,

- (B) return to the Company, or at the Company's request, destroy all copies of all information relating to the Trademarks, and any other property belonging to, or received from, the Company that is in the Brewer's control, including remaining balance of prepayment,
 - (C) shall have the right to continue to sell any Product which has been manufactured but not yet sold.
- (ii) Company shall pay all amounts earned, due and/or owing to Brewer for and/or relating to Product produced pursuant to this Agreement.

12. **Confidentiality**

- (a) **Non-Disclosure.** The Parties agree that, except as they shall otherwise mutually determine from time to time, the terms of this Agreement and any notices given hereunder or other communications with respect to the substance of the relationship between them shall be maintained in confidence; provided that each Party shall be permitted to make such disclosures of confidential information to such courts and other public or governmental agencies as their counsel shall deem necessary to maintain compliance with and to prevent violation of applicable federal or provincial laws. In the event of any breach of this provision by either party, the injured party may obtain an injunction against the other party's disclosure of the data and shall be entitled to any damage or loss occasioned by such disclosure. This application of confidentiality and non-disclosure shall not apply to information which (a) is in the public domain at the time of the receipt from the other party, or which comes into the public domain without breach of an obligation hereunder; (b) is known and can be shown to be known by one party at the time of receipt from the other party; or (c) becomes known to one party through a third source whose acquisition was independent of the other party and not in breach of any obligation hereunder.
- (b) **Proprietary Information.** All Proprietary Information, material, information, data or records (the "Materials") provided by one party to the other shall be the sole and exclusive property of the party providing such Materials. The parties agree that any information that may be received from the other party, including but not limited to, Proprietary Information, customer lists, product recipes, formulae, specifications and pricing information, promotional or marketing materials, or the like in connection with the Products or this Agreement or the rights and obligations provided for hereunder (the "Confidential Information"), shall not be disclosed by such party to any other person and is only to be used in the performance of the obligations under this Agreement and for no other reason. Pictures of the Brewers' facility are prohibited without the express written consent of the Brewer. Each party shall return the original and all copies of the Materials and Confidential Information received from the other party promptly following the termination of this Agreement.

13. **General Provisions**

- (a) **Entire Agreement.** This Agreement and the exhibits referred to herein and to be delivered pursuant hereto, constitute the entire agreement between the parties pertaining to the subject matter hereof, and supersede all prior agreements, understandings, negotiations and discussions of the parties, whether oral or written, and there are no warranties, representations or other agreements between the parties in connection with the subject matter hereof, except as specifically set forth herein.
- (b) **Severability.** If any term or provision of this Agreement shall, to any extent, be determined to be invalid or unenforceable, the remainder of this Agreement shall not be affected thereby, and each remaining term and provision of this Agreement shall be valid and enforceable to the greatest extent permitted by law.
- (c) **Governing law.** The laws of Ontario and the laws of Canada applicable in that province, excluding any rule or principle of conflicts of law that may provide otherwise, govern this agreement.
- (d) **Submission to Jurisdiction.** The parties irrevocably attorn to the jurisdiction of the courts of Ontario, which will have exclusive jurisdiction over any matter arising out of this agreement.
- (e) **Privacy of Personal Information.** To the extent that either party receives or has access to any personal information about an identifiable individual in the care or control of the other party, it shall treat such information in compliance with the *Personal Information Protection and Electronic Documents Act* (Canada).
- (f) **Assignment.** Either party may assign this Agreement, subject to all of the terms and provisions hereof and to the prior written consent of the non-assigning party, which may be withheld by the Company in its sole discretion but may not be unreasonably withheld by the Brewer. All provisions of this Agreement shall be binding upon the respective employees, delegates, successors, heirs and permitted assignees of the parties.
- (g) **Notices.** Unless otherwise specifically provided herein, all communications or notices required or permitted by this Agreement shall be in writing and shall be deemed to have been given at the earlier of the date when actually delivered to an officer of the other or three days after deposit by registered mail, postage prepaid, return receipt requested, and addressed as follows, unless and until either party notifies the other of a change of address:
 - (i) If to Brewer:
25 Curity Avenue, Toronto, ON
 - (ii) If to Company:
47 Colborne Street, Unit 402, Toronto, ON

- (h) **Waiver and Modifications.** Unless otherwise specifically provided herein, no waiver or modification of any of the terms of this Agreement shall be valid unless in writing and signed by both parties. No waiver by either party of a breach hereof or default hereunder shall be deemed a waiver by such party of a prior or subsequent breach or default of like or similar nature.
- (i) **Disparagement.** Each Party agrees not to make and to take all commercially reasonable steps to prevent any of its personnel from making, disparaging or otherwise adverse remarks about the products of the other Party.
- (j) **Force Majeure.** In the event that either party is prevented or delayed from performing its obligations under the terms of this Agreement by virtue of one or more events or contingencies beyond its reasonable control, whether or not presently occurring or contemplated by either party, including but not limited to, fires, labour strikes, labour disputes, accidents, sabotage, federal, provincial or municipal legislation or any regulations or orders thereunder, judicial action, acts of God, war, or civil commotion, such nonperformance shall be excused and shall not constitute a default under the terms of this Agreement, provided, however, that in the event that such nonperformance continues for a period in excess of three (3) consecutive months, either party shall have the option thereunder to terminate this Agreement immediately upon written notice to that effect.
- (k) **Further Instruments.** The parties shall execute and deliver any and all other instruments and shall take any and all other actions as may be reasonably necessary to carry out the intent of the Agreement into full force and effect.
- (l) **Construction of Terms.** The parties have each participated in settling the terms of this Agreement. Any rule of legal interpretation to the effect that any ambiguity is to be resolved against the drafting party will not apply in interpreting this agreement.
- (m) **Effective Date.** This Agreement is effective as of the date shown at the top of the first page, even if any signatures are made after that date.
- (n) **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This agreement has been executed by the parties.

BRUNSWICK BIERWORKS INC.

Per: _____

Name: Sean Fleming

Title: CEO

I have authority to bind the Corporation

11353675 CANADA CORP.

Per: _____

Name: Thao Nguyen

Title: Partner

I have authority to bind the Corporation

SCHEDULE A

THE PRODUCTS

Products brewed under the Company's brand umbrella as well as new brands developed by the Company.

SCHEDULE B

Fixed Charge

Pricing includes:

The Company to supply the required specialty malts, adjuncts, hops and yeast. All yeast must be from an accredited yeast bank and the Company must provide a written guarantee that all yeast is free of infection, all to be acceptable to Brewer. The Company will also supply a certificate of analysis in a form acceptable to Brewer for any ingredients sourced from third parties (such as a without limitation, fruits, citrus zests, spices, fruit puree, coffee beans). Failure of the Company to provide any of the required documentation will result in any and all warranties in respect of Product containing such undocumented yeast and/or ingredients being void. The Brewer reserves the right to reject suspected yeast cultures.

Pricing is: \$90 - \$100/HL (pricing to be finalized once recipe(s) have been provided).

Warehousing

Upon completion of packaging by the Brewer, the Company is required to have product picked up within 24 hours.

In the event that any Products, packaging or raw materials are, for any reason, still being warehoused by Brewer forty-eight (48) hours after the Packaging Date, Brewer shall be entitled to levy a warehousing and handling surcharge of ten dollars (\$10) per pallet per month to Company for so long as such Products are stored by Brewer (the "**Warehousing Charge**"). The Warehousing Charge shall accrue in full on the thirty-first (31st) day after the Production Date and on the first day of each month thereafter and shall be prorated for partial months. If the Products are not shipped within one hundred and twenty (120) days after the Packaging Date, Brewer may, after the expiration of thirty (30) days after written notice to Company, sell or dispose of such Products at Company's sole expense. Proceeds from the sale of the Products will be applied to the Company's outstanding balance due, but Company will remain liable for any outstanding balance due after such application of sales proceeds.

Pricing

Pricing is included under Fixed Charge and it should be noted that the pricing is charged on finished product. For further clarification, the Company will only be charged the set rate for what is packaged. All pricing is to remain strictly confidential.

Deposit

The Company is to provide a deposit of \$750,000 no later than June 7th, 2019. The Deposit is to be credited fully against invoicing by the Brewer for Products in accordance with this Agreement.

Production Commitment

To retain the Brewers' Exclusivity commitment, the Customer will commit to the following production schedule:

Phase	Period	Volume (HL/month)	Note
1	Pre-Regulatory (May 2 nd – Oct. 31, 2019*)	0	Test batches
2	Nov. 1 – April 30, 2020	0	Test batches / ramp up period
3	May 1 – October 31, 2020	300	
4	Nov 1 – April 30, 2021	600	
5	May 1 – October 31, 2021	900	
6	Nov 1 – April 30, 2022	1200	
7	May 1 – October 31, 2022	1500	

*All specific dates subject to change pending final federally approved industry start date

The Customer can achieve the monthly volume minimums producing different Products as long as each brew is no less than 50HL. If any of the above volumes at any phase in the schedule are not met, the Customer will be able to retain the Exclusivity commitment by making payment commensurate with the cost of the minimum volume requirements. Such timing of payments is to be made at the discretion of the Brewer.

In the event that the minimum monthly volumes are not met or paid for in lieu of production, the Brewer has the right to terminate the Exclusivity commitment on sixty (60) days written notice.

In the event that the Agreement is terminated, the Brewer will refund the Company any remaining deposit balance within 30 business days.

Packaging and Raw Materials

The Company is required to supply all packaging materials that are compatible with the Brewer equipment. This includes trays, cases, cans, bottles, kegs and any other relevant materials.

Seasonal/One-off brews

The Brewer's 20HL pilot system allows for: recipe testing, small batch brews, seasonal offerings, one-off brews, collaboration brews. This system is available to be booked by the Company on request. Pricing will vary based on brewing recipe.

Collaboration Brews

By partnering with the Brewer, you would have access to the rest of our network of breweries and brewers for collaboration brews and one-offs. You would also have an open invitation to our annual Brewers Summit.

Volume Capability

The Brewer can work with the Company to build in your production requirements in to our monthly/yearly production schedule. We can offer the full production you require based on forecasts. We would recommend building a two (2) year forecast by brand and SKU by year and month. We would revisit this forecast every month and adjust accordingly. We are committing to providing you the tank space and time you need.

Our 60-day brew schedule will be considered binding, and any cancelations within the 60-day period will be invoiced at the full per HL rate.

Defective Product

If any Product, other than any Initial Batch (in respect of which the Company shall be responsible for all charges and fees, including, without limitation, all disposal charges), is determined to be defective in any way making it unfit for consumption by the public, the following rules shall apply:

- (i) where the cause of the defect is conclusively determined to be the fault of the Brewer, the Brewer will be responsible for the cost and fees of the particular batch, together with all disposal costs;
- (ii) where the cause of the defect is conclusively determined to be the fault of the Company or any ingredient provided by the Company, the Company will be responsible for all costs and fees of the particular batch, together with all disposal costs; and
- (iii) where the case of the defect cannot be conclusively assessed against either the Brewer or the Company, the parties will each be responsible for 50% of the costs and fees associated with the defective batch, including any and all disposal costs.

SCHEDULE C

VISITORS (CUSTOMERS) POLICY

1. A Customer is expected to inform Brunswick staff (Brewmaster, Supply Chain & Logistic Specialist) about the visit via email at least 1 day before. In the email, the following information should be indicated: the purpose of the visit, time, visitor's names.
2. While at Brunswick Bierworks facility a Customer shall not:
 - enter the Production areas (restricted by blue coloured floor) without assistance of Brunswick Bierworks personnel and without wearing PPE (Personal Protective Equipment- safety glasses, closed-toe/steel-toe shoes)
 - take any samples of the products without Brewmaster's permission and assistance of Brunswick Bierworks personnel
 - give orders or directions to Brunswick Bierworks personnel
 - participate in any operations or operate any equipment in Brewing/Packaging departments
 - use Control Panel screens without Brewmaster's permission
 - access Brunswick Bierworks documentation (Recipes, Logs, Schedules, etc.) without the assistance of Brewmaster
3. A Customer is expected to inform Brunswick Bierworks staff (Brewmaster, Supply Chain & Logistic Specialist) before departure.

ORGANIC FLOWER INVESTMENTS GROUP INC.

as Purchaser

and

MULBERRY CAPITAL INC.

as Vendor

**SHARE PURCHASE AGREEMENT
RE SHARES OF SUHM INVESTMENTS INC.
Dated as of April 12th, 2019**

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SHARE PURCHASE AGREEMENT

Share Purchase Agreement dated as of April 12th, 2019 between Mulberry Capital Inc. (“**Mulberry**”) (referred to as the “**Vendor**”), and Organic Flower Investments Group Inc. (“**Organic Flower**”) or (the “**Purchaser**”);

WHEREAS Mulberry is the legal registered of 100 Common shares (the “**Mulberry Shares**”) in the capital of the SUHM Investments Inc. (the “**Corporation**”);

AND WHEREAS the Mulberry Shares (the “**Purchased Shares**”) represent all of the issued and outstanding Common Shares in the capital of the Corporation;

AND WHEREAS the Purchaser wishes to acquire the Purchased Shares and Mulberry wish to transfer the Purchased Shares to the Purchaser, in exchange for common shares of the Purchaser (the “**Organic Flower Shares**”), on and subject to the terms and conditions set forth in this Agreement;

NOW, THEREFORE, THIS AGREEMENT WITNESSTH THAT, in consideration of the mutual covenants herein contained, it is agreed between the parties as follows:

ARTICLE 1 INTERPRETATION

1.1 Defined Terms.

As used in this Agreement, the following terms have the following meanings:

- (a) “**Accounts Receivable**” means all accounts receivable, notes receivable, and other debts due or accruing to the Corporation.
- (b) “**Agreement**” means this share purchase agreement.
- (c) “**Ancillary Agreements**” means all agreements, certificates and other instruments delivered or given pursuant to this Agreement, executed concurrently with this Agreement by, amongst others, the Purchaser and the Vendor.
- (d) “**Assets**” means the property and assets of the Corporation listed in Schedule 1.1(d).
- (e) “**Authorization**” means, with respect to any Person, any order, permit, approval, consent, waiver, licence, certificate, registration or similar authorization of any Governmental Entity having jurisdiction over the Person.
- (f) “**Books and Records**” means all information in any form relating to the Business of the Corporation.

- (g) “**Business**” means an eighty (80%) percent co-ownership interest in a joint venture with Quality Confections Canada Ltd. to construct for the eventual operation of a THC/CBD Cannabis edibles facility in Winnipeg, Manitoba after receipt of any required licenses from Health Canada.
- (h) “**Business Day**” means any day of the year, other than a Saturday, Sunday or any day on which major banks are closed for business in Toronto, Ontario.
- (i) “**Closing**” means the completion of the transaction of purchase and sale contemplated in this Agreement on the Effective Date.
- (j) “**Closing Reorganization**” means the pre-closing reorganization of the Corporation which occurred immediately prior to the Effective Date and which is described under Schedule 1.1(j).
- (k) “**Contract**” means any agreement, contract, license, undertaking, engagement or commitment of any nature, written or oral.
- (l) “**Corporate Records**” means the corporate records of the Corporation including (i) all constating documents and by-laws, (ii) all minutes of meetings and resolutions of shareholders and directors, and (iii) the share certificate books, share register, register of transfers and register of directors.
- (m) “**Effective Date**” means one (1) Business Day after the Purchaser’s condition in Section 9.18 has been satisfied and/or waived or such other date as agreed upon by all parties herein.
- (n) “**Governmental Entity**” means (i) any national, provincial, municipal, local or other government, (ii) any department, commission, board, bureau, agency or authority of any government, or (iii) any quasi-governmental or private body exercising any regulatory, taxing or other governmental or quasi-governmental entity, including any stock exchange.
- (o) “**Joint Venture Agreement**” means the Joint Venture Agreement dated October 16, 2018 between the SUHM Investments Inc., Quality Confections Canada Ltd., The Edibles and Infusions Corporation and 10026310 Manitoba Ltd., a copy of which is attached hereto as Schedule B.
- (p) “**Laws**” means any and all applicable (i) laws, constitutions, statutes, codes, ordinances, orders, decrees, rules, regulations and by-laws, (ii) judgments, orders, writs, injunctions, decisions, awards and directives of any Governmental Entity.
- (q) “**Lease**” means a lease dated June 1, 2019 between The Edibles and Infusions Corporation as Tenant and 10026308 Manitoba Ltd. as Landlord with respect to the Leased Premises, a copy of which is attached hereto as Schedule C.

- (r) **“Leased Premises”** means 160 Eagle Drive, Winnipeg, Manitoba.
- (s) **“Lien”** means any mortgage, charge, pledge, hypothec, security interest, assignment, lien (statutory or otherwise), conditional sale, deemed or statutory trust or other encumbrance of any nature which, in substance, secures payment or performance of an obligation.
- (t) **“Ordinary Course”** means, with respect to an action taken by a Person, that such action is consistent with the past practices of the Person and is taken in the ordinary course of the normal day-to-day operations of the Person.
- (u) **“Organic Flower Shares”** means the share of Organic Flower Investment Group Inc. referred to in Sections 2.3 and 2.4 hereof.
- (v) **“Parties”** means the Vendor, the Purchaser and any other Person who may become a party to this Agreement, and **“Party”** shall mean any of them but for greater certainty shall not include the Corporation.
- (w) **“Permitted Liens”** means (i) Liens for Taxes not yet due and delinquent, (ii) undetermined or inchoate Liens arising or potentially arising under statutory provisions which have not at the time been filed or registered in accordance with applicable Laws or of which written notice has not been given in accordance with applicable Laws.
- (x) **“Person”** means a natural person, partnership, limited partnership, limited liability partnership, corporation, limited liability company, unlimited liability company, joint stock company, trust, unincorporated association, joint venture or other entity or Governmental Entity, and pronouns have a similarly extended meaning.
- (y) **“Tax Act”** means the *Income Tax Act*, R.S.C. 1985 (5th Supp.) c. 1, as amended.
- (z) **“Tax Returns”** means any and all returns, reports, declarations, elections, notices, forms, designations, filings, and statements (including estimated tax returns and reports, withholding tax returns and reports, and information returns and reports) filed or required to be filed in respect of Taxes.
- (aa) **“Taxes”** means any and all taxes, duties, fees, excises, premiums, assessments, imposts, levies and other charges or assessments of any kind whatsoever imposed by any Governmental Entity, in any jurisdiction, including those levied on, or measured by, or described with respect to, income, gross receipts, profits, gains, windfalls, capital, capital stock, production, recapture, license, gift, harmonized sales, use, value-added, excise, withholding, employee health, payroll, workers' compensation, utility, and including all license and registration fees and all employment insurance, health insurance and government pension plan premiums or contributions.

- (bb) **“Third Party Claim”** means any action, suit, proceeding, arbitration, claim or demand that is instituted or asserted by a third party, including a Governmental Entity, against an Indemnified Person which entitles the Indemnified Person to make a claim for indemnification under this Agreement.
- (cc) **“Value of the Organic Flower Shares”** means Organic Flower Shares worth Forty-Two Million and Five Hundred Thousand (\$42,500,000) CAD. The Value for the Organic Flower Shares shall be calculated based upon the 5-day VWAP for shares of Organic Flower Investment Group Inc. on each date a payment is due to the Purchaser by the Vendor hereunder where such payment is to be made in Organic Flower Shares, save and except that the Value of the Organic Flower Shares for the initial payment in section 2.3(2)(a) shall be based upon fifty (\$.50) cents per share.

1.2 Other Defined Terms

In addition to the defined terms in Section 1.1, each of the following capitalized terms shall have the meaning ascribed thereto in the corresponding Section:

<u>Defined Term</u>	<u>Section</u>
Corporation.....	Recitals
Dispute.....	9.8
Elected Amounts.....	7.1
Mulberry	Recitals
Mulberry Shares.....	Recitals
Notice.....	9.1
Organic Flower	Recitals
Organic Flower Shares	Recitals
Public Statement	9.4
Purchase Price.....	2.2
Purchased Shares	Recitals
Purchaser.....	Recitals
Vendor	Recitals

1.3 Gender and Number.

Any reference in this Agreement to gender includes all genders. Words importing the singular number only shall include the plural and vice versa.

1.4 Headings, etc.

The provision of the Table of Contents, the division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and are not to affect its interpretation.

1.5 Currency.

All references in this Agreement to dollars, or to \$ are expressed in currency of Canadian Dollars unless otherwise specifically indicated (CAD).

1.6 Certain Phrases, etc.

In this Agreement (i) the words “including”, “includes” and “include” mean “including (or includes or include) without limitation”, and (ii) phrases “the aggregate of”, “the total of”, “the sum of”, or a phrase of similar meaning means “the aggregate (or total or sum), without duplication, of”. Unless otherwise specified, the words “Article” and “Section” followed by a number mean and refer to the specified Article or Section of this Agreement.

1.7 Knowledge.

Where any representation or warranty contained in this Agreement is expressly qualified by reference to the knowledge of the Vendor, it shall be deemed to refer to the knowledge of Mulberry and the knowledge such corporation should have after due enquiry.

1.8 Accounting Terms.

All accounting terms not specifically defined in this Agreement are to be interpreted in accordance with Generally Accepted Accounting Principles (“GAAP”).

1.9 Schedules.

The schedules attached to this Agreement form an integral part of this Agreement for all purposes of it. The inclusion of any information in any schedule (or any update thereof) shall not be deemed to be an acknowledgement, in and of itself, that such information is required to be disclosed or is material.

1.10 Overlapping Representations

Any representation and warranty given by a Party in this Agreement or any Ancillary Agreement shall not be deemed to be limited or qualified solely because a similar or more general representation and warranty given by such Party in this Agreement or any Ancillary Agreement is limited or qualified.

1.11 Non-Business Days.

Whenever payments are to be made or an action is to be taken on a day which is not a Business Day, such payment shall be made or such action shall be taken on or no later than the next succeeding Business Day.

1.12 References to Persons and Agreements.

Any reference in this Agreement or any Ancillary Agreement to a Person includes its heirs, administrators, executors, legal personal representatives, successors and permitted assigns. The term “Agreement” and any reference in this Agreement to this Agreement, any

Ancillary Agreement or any other agreement or document includes, and is a reference to, this Agreement, such Ancillary Agreement or such other agreement or document as it may have been, or may from time to time be amended, restated, replaced, supplemented or novated and includes all schedules to it.

1.13 Statutes.

Except as otherwise provided in this Agreement, any reference in this Agreement to a statute refers to such statute and all rules and regulations made under it, as it or they may have been or may from time to time be amended or re-enacted.

ARTICLE 2 PURCHASED SHARES AND PURCHASE PRICE

2.1 Purchase and Sale.

Subject to the terms and conditions of this Agreement, the Vendor agree to sell, assign and transfer to the Purchaser and the Purchaser agrees to purchase from the Vendor effective on the Effective Date all of the issued and outstanding shares of the Corporation being the Purchased Shares.

2.2 Purchase Price.

The consideration payable by the Purchaser to the Vendor for the purchase of the Purchased Shares is Forty-Two Million and Five Hundred Thousand (\$42,500,000) CAD (the “**Purchase Price**”) payable by the issuance of the Organic Flower Shares.

2.3 Payment of the Purchase Price at Closing.

- (1) On the Closing Date and on certain milestone dates, the Purchase Price shall be paid and satisfied, by the payment of the Purchase Price to the Vendor pursuant to Section 2.4, by the Purchaser issuing to Vendor, in the aggregate, (as described in Section 2.4) Organic Flower Shares valued for the purposes of this Agreement at the aggregate amount of a maximum of Forty-Two Million Five Hundred Thousand (\$42,500,000) CAD based upon the Value of the Organic Flower Shares at the time each payment is due (subject to Section 2.3(2)(a));
- (2) The Purchase Price shall be paid as follows, always utilizing the Value of the Organic Flower Shares (subject to Section 2.3(2)(a)):
 - (a) On the Closing Date, Organic Flower Shares equal in value to Ten Million (\$10,000,000) CAD based upon fifty (\$.50) cents per share (20,000,000 shares) shall be paid to the Vendor;
 - (b) Five Million (\$5,000,000) CAD of Organic Flower Shares shall be paid to the Vendor at such time as construction of the Leased Premises is sufficiently completed in order to operate the Business;

- (c) Seven Million Five Thousand (\$7,500,000) CAD of Organic Flower Shares shall be paid to the Vendor upon a press release being capable of being issued with respect to the issuance of an edibles production license by Health Canada and production and shipping of the first \$1,000,000 in sales by the Business of The Edibles and Infusions Corporation.
- (d) On March 15, 2022, Twenty Million (\$20,000,000) CAD of Organic Flower Shares if 80% of the sales of The Edibles and Infusions Corporation Joint Venture for the period of March 1, 2021 to February 28, 2022 inclusive, are equal to or greater than Thirty Million (\$30,000,000) CAD over that period.
- (e) The Parties also acknowledge that as consideration for the Vendor agreeing to allow the Purchaser to enter into this Agreement, the Purchaser has agreed to make certain payments due under the Joint Venture Agreement prior to the date hereof and, if the vendor can arrange for an option to purchase Cavalier Candies Ltd. and Cavalier Foods Ltd., issuing One Million (\$1,000,000) CAD of shares of the Purchaser to change, at the request of the Purchaser, the purchase of the assets of Cavalier Candies Ltd. and Cavalier Foods Ltd. into an option to purchase for six (6) months to acquire the assets of Cavalier Candies Ltd. and Cavalier Food Ltd., and a further One Million (\$1,000,000) CAD of shares of the Purchaser to change, at the request of the Purchaser, the purchase of the assets of Cavalier Candies Ltd. and Cavalier Foods Ltd. into an option for a further six (6) months period to acquire the assets of Cavalier Candies Ltd. and Cavalier Foods Ltd.

2.4 Payment of the Purchase Price to the Vendor.

- (1) The Purchase Price relating to the Purchased Shares shall be paid by the Purchaser issuing to Mulberry fully paid and non-assessable Organic Flower Shares representing an aggregate consideration and value of Forty-Two Million Five Hundred Thousand (\$42,500,000) CAD pursuant to and subject to Section 2.3;
- (2) **Fees and Expenses.** In addition to the Purchase Price, the Purchaser shall bear the fees and expenses of both theirs and the Vendor's accountants, lawyers and professional advisers.
- (3) All Organic Flower Shares delivered to Mulberry for the Purchased Shares, save for the first 20,000,000 shares, shall be valued based upon the Value of the Organic Flower Shares at the time they become due and payable.
- (4) The Vendor acknowledges and agrees that the Organic Flower Shares issued to them hereunder shall be subject to the following "hold periods":
 - (a) 10,000,000 shares of the first 20,000,000 shares referred to in Section 2.3(2)(a) shall be subject to hold period of six (6) months from the date such

shares were due to be issued, and the other 10,000,000 shares shall be subject to hold period of twelve (12) months;

- (b) All other Organic Flower Shares issued to the Vendor shall be subject to a hold period of six (6) months from the date they were due to be issued.

The above transactions shall take place in accordance with Articles 5 and 7 hereof.

ARTICLE 3 REPRESENTATIONS AND WARRANTIES OF THE VENDOR

3.1 Representations and Warranties of the Vendor.

The Vendor represent and warrant as follows to the Purchaser and acknowledge and agree that the Purchaser is relying upon the representations and warranties in connection with its purchase of the Purchased Shares. All of the representations and warranties set out in this Article 3 are given by the Vendor in accordance with the principles set out in Section 9.6. The following representations and warranties are, unless otherwise specified, given as of the Effective Date and remain true and accurate as of the Closing Date.

Corporate Matters

- (a) **Incorporation and Qualification.** The Corporation is a corporation incorporated and existing under the laws of the province of Ontario and has the power to own and operate its property, carry on its business and enter into and perform its obligations under this Agreement. Mulberry is a corporation incorporated and existing under the laws of the Ontario and has the power to own and operate its property, carry on its business and enter into and perform its obligations under this Agreement.
- (b) **Due Authorization.** The performance by the Corporation and Mulberry of this Agreement and the consummation of the transaction contemplated hereunder have been duly authorized by all necessary actions on the part of the Corporation and Mulberry.
- (c) **Directors and Officers.** The directors of the Corporation and Mulberry are Barry Rotenberg and Aaron Rotenberg and are duly elected and appointed and the officers of the Corporation and Mulberry are Barry Rotenberg as President and Secretary, and Aaron Rotenberg as Treasurer and such officers have been duly appointed by the directors of the Corporation and Mulberry.
- (d) **No Conflict.** Except for the consents, approvals and waivers described in Schedule 3.1(f), the execution and delivery of and performances by the Vendor and the Corporation, as the case may be, of this Agreement and any Ancillary Agreements to which it is a party:
 - (i) do not and will not (or would not with the giving of notice, the lapse of time or the happening of any other event or condition) constitute

or result in a violation or breach of, or conflict with, or allow any Person to exercise any rights under any of the terms or provisions of its constating documents or by-laws;

- (ii) do not and will not (or would not with the giving of notice, the lapse of time or the happening or any other event or condition) constitute or result in a breach (in any material respect) or violation of (in any material respect), or conflict with (in any material respect) or allow any Person to exercise any rights under, any of the terms or provisions of any Contracts, Leases or instruments (in any material respect) to which they are a party or to which the Corporation pursuant to which any of their assets or property is a party may be affected;
 - (iii) do not and will not result in a breach (in any material respect), or cause the termination or revocation of, any Authorization held by any of the Vendor or the Corporation or necessary to the ownership of the Purchased Shares or the operation of the Business; and
 - (iv) do not and will not result in the violation of any Law, in any material respect.
- (e) **Required Authorizations.** There is no requirement for the Corporation and the Vendor to make any filing with, give any notice to, or obtain any Authorization of, any Governmental Entity as a condition to the lawful completion of the transactions contemplated by this Agreement, except for the filings, notifications and Authorizations described in Schedule 3.1(e).
- (f) **Required Consents.** There is no requirement to obtain any consent, approval or waiver of a party under any Contract to which the Corporation or the Vendor is a party for the completion of any of the transactions contemplated by this Agreement.
- (g) **Execution and Binding Obligation.** This Agreement have been duly executed and delivered by the Vendor or the Corporation, as the case may be, and constitute a legal, valid and binding obligation of each of them and is enforceable against each of them subject only to any limitation under applicable laws relating to (i) bankruptcy, winding-up, insolvency, arrangement, fraudulent preference and conveyance, assignment and preference and other similar laws of general application affecting creditors' rights, and (ii) the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction.
- (h) **Residence of the Vendor.** The Vendor is not a non-resident of Canada within the meaning of the Tax Act.

- (i) **Authorized and Issued Capital of the Corporation.** The authorized and issued capital of the Corporation is described under Schedule 3.1(i) and all the outstanding shares of the Corporation have been duly issued and are outstanding as fully paid and non-assessable.
- (j) **No Other Agreements to Purchase.** Except for the Purchaser's right under this Agreement, no Person has any written or oral agreement, option or warrant or any right or privilege (whether by Law, pre-emptive or contractual) capable of becoming such for (i) the purchase or acquisition of any of the Purchased Shares, or (ii) the purchase, subscription, allotment or issuance of any of the unissued shares or other securities of the Corporation.
- (k) **Purchased Shares.** The Purchased Shares represent all, and no less than all, of the issued and outstanding shares in the Corporation.
- (l) **Corporate Records.** The Corporate Records are complete and accurate and all corporate proceedings and actions reflected in the Corporate Records have been conducted or taken in compliance with all applicable Laws and with the constating documents and by-laws of the Corporation. Without limiting the generality of the foregoing (i) the minute books contain, with respect to all transfers of shares of the Corporation and all material corporate transactions, complete and accurate minutes of all meetings of the directors and shareholders held since incorporation or amalgamation and all such meetings were properly called and held, (ii) the minute books contain all resolutions passed by the directors and shareholders (and committees, if any) and all such resolutions were properly passed, (iii) the share certificate register, register of shareholders and register of transfers are complete and accurate, all transfers have been properly completed and approved and any tax payable by the Corporation in connection with the transfer of any securities has been paid, (iv) the registers of directors and officers are complete and accurate and all former and present directors and officers were properly elected or appointed, as the case may be, and (v) the Corporate Records do not contain any material illegality or material irregularity. None of the Vendor or the Corporation is a party to a shareholders' agreement.
- (m) **Title to the Purchased Shares.** The Purchased Shares are owned by the Vendor as the registered and legal owner with a good title, free and clear of all Liens. Upon completion of the transaction contemplated by this Agreement, the Purchaser will have good and valid title to the Purchased Shares, free and clear of all Liens.
- (n) **Subsidiaries.** The Corporation does not have any subsidiaries or holds any title, equity or other proprietary interest, directly or indirectly, in any other Person.

General Matters Relating to the Business

- (o) **Conduct of Business in Ordinary Course.** Since September 1st, 2018, the Business has been carried on in the Ordinary Course. Without limiting the generality of the foregoing, since May 28, 2018, the Corporation has not, except as provided in Schedule 3.1(o):
- (i) sold, transferred or otherwise disposed of or diminished the value of any Assets except for Assets not agreed to be owned by the Corporation at the time the Purchased Shares are Purchased;
 - (ii) made any capital expenditure or commitment to do so which individually or in the aggregate exceeded \$50,000, except in the Ordinary Course;
 - (iii) discharged any secured or unsecured obligation or liability (whether accrued, absolute, contingent or otherwise) which individually or in the aggregate exceeded \$50,000, except in the Ordinary Course;
 - (iv) declared a dividend, made a distribution, made any bonus or profit sharing distribution or similar payment of any kind;
 - (v) made any loans or advances to any of their shareholders or other related parties of the Corporation; or
 - (vi) authorized, agreed or otherwise committed, whether or not in writing, to do any of the foregoing.
- (p) **Compliance with Laws.** The Corporation is conducting and has always conducted its business and any past business in compliance with all applicable Laws, other than acts of non-compliance which, individually or in the aggregate, are not material.
- (q) **Authorizations.** The Corporation owns, holds, possesses or lawfully uses in the operation of the Business, all Authorizations which are necessary for it to conduct the Business as presently or previously conducted or for the ownership and use of the Assets in compliance with all applicable Laws, provided it receives a license or licenses from Health Canada to operate the Business. Each Authorization is valid, subsisting and in good standing, the Corporation is not in default (in any material respect) or breach (in any material respect) of any Authorization and, to the knowledge of the Vendor, no proceeding is pending or threatened to revoke or limit any Authorization. All Authorizations are renewable by their terms in the Ordinary Course of business without the need for the Corporation to comply with any special rules or procedures, agree to any materially different terms or conditions or pay any amounts other than routine filing fees.

Matters Relating to the Assets

- (r) **Sufficiency of Assets and Business.** The Business is the only business operation carried on by the Corporation. The Assets owned by the Corporation immediately prior to the Effective Date include all rights and property necessary to enable the Corporation to conduct the Business after the Effective Date substantially in the same manner as it was conducted prior to the Effective Date subject to receipt of a license or licenses from Health Canada.
- (s) **Title to the Assets.** The Corporation owns (with good title) all of the properties and assets (whether real, personal or mixed and whether tangible or intangible) that it purports to own including all the properties and assets reflected as being owned by the Corporation in its financial Books and Records. The Corporation has legal and beneficial ownership of the Assets free and clear of all Liens, except for Permitted Liens and subject to the Joint Venture Agreement.
- (t) **No Options, etc. to Purchase Assets.** No Person has any written or oral agreement, option, understanding or commitment, or any right or privilege capable of becoming such for the purchase or other acquisition from the Corporation of any of the Assets.
- (u) **Leases.** The Corporation is not a party to, or under any agreement to become a party to, any lease with respect to real property save for the Lease.
- (v) **No Owned Property.** The Corporation is the owner of, or subject to any agreement or option to own any real property and does not have and has never had any direct or indirect interest in any real property save as set out in the Lease and the Option to purchase the assets Cavalier Candies Ltd. and Cavalier Foods Ltd.
- (w) **Material Contracts.** Except for the Contracts described in Schedule 3.1(w) (collectively, the “**Material Contracts**”), the Corporation is not a party to or bound by any Material Contracts save for the Joint Venture Agreement.
- (x) **No Breach of Material Contracts.** The Corporation has performed all of the obligations required to be performed by it and is entitled to all benefits under the Material Contracts. To the knowledge of the Vendor, the Corporation is not alleged to be in default of any Material Contract. Each of the Material Contracts is in full force and effect, unamended, and there exists no material default or material event of default or material event, occurrence, condition or act (including the purchase of the Purchased Shares) which, with the giving of notice, the lapse of time or the happening of any other event or condition, would become a default or event of default under any Material Contract. True, correct and complete copies of all Material Contracts have been made available to the Purchaser.

- (y) **No Liabilities.** Except as set out in Schedule 3.1(y), the Corporation has no liabilities or obligations of any nature whatsoever, to become due, direct, indirect, absolute, contingent or otherwise and whether or not required to be accrued on the financial statements save as set out in the Joint Venture Agreement.
- (z) **Employees.** The Corporation has no employees.
- (aa) **Claims against the Corporation**
 - (i) There are no (i) actions, suits, proceedings or warranty claims, at law or in equity, by any Person, (ii) any grievance, arbitration or alternative dispute resolution process, or (iii) administrative or other proceeding by or before (or to the knowledge of the Vendor any investigation by) any Governmental Entity, pending, or, to the knowledge of the Vendor, threatened against or affecting the Corporation, the Business or any of the Assets. To the knowledge of the Vendor, there is no valid basis for any action, complaint, grievance, suit, proceeding, arbitration or investigation by or against the Corporation. The Corporation is not subject to any judgment, order or decree entered in any lawsuit or proceeding.
- (bb) **Claims Filed by the Corporation.** The Corporation is not a plaintiff or complainant in any action, suit or proceeding, grievance, arbitration or alternative dispute resolution process.
- (cc) **Taxes.**
 - (i) The Corporation has filed or caused to be filed with the appropriate Governmental Entity, within the times and in the manner prescribed by applicable Law, all federal, provincial, local and foreign Tax Returns which are required to be filed by or with respect to it. The information contained in such Tax Returns is correct and complete and such Tax Returns reflect accurately all liability for Taxes of the Corporation for the periods covered thereby.
 - (ii) There are no claims, actions, suits, audits, proceedings, investigations or other action that have been commenced or, to the knowledge of the Vendor, threatened or pending against the Corporation in respect of Taxes and, the Corporation has never received notice that any such claim, action, suit, audit, proceeding, investigation or other action may be asserted against the Corporation by a Governmental Entity. The Corporation is not negotiating any final or draft assessment or reassessment in respect of Taxes with any Governmental Entity. The Corporation has never received any indication from any Governmental Entity that an assessment or reassessment is proposed or may be proposed in respect of any Taxes. There are no facts of

which each of the Corporation or the Vendor are aware which would constitute grounds for the assessment or reassessment of Taxes payable by the Corporation, except in respect of Taxes that are provided for in the Books and Records. To the knowledge of the Vendor, there are no contingent liabilities of the Corporation for Taxes or any grounds for an assessment or reassessment of Taxes including, without limitation, the treatment of income, expenses, credits or other claims for deduction under any Tax Return.

- (dd) **Closing Reorganization.** On Closing Date the Closing Reorganization was duly and validly completed in accordance with all applicable Laws.
- (ee) **Due To or From Related Parties.** Prior to the Effective Date, all advances made between any of the Vendor and the Corporation were duly repaid.
- (ff) **Full Disclosure.** This Agreement does not contain any untrue statement of a material fact in respect of the Vendor, the affairs, prospects, operations or condition of the Corporation, the Assets or the Business.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES OF THE PURCHASER

4.1 Representations and Warranties of the Purchaser.

The Purchaser represents and warrants as follows to the Vendor and acknowledges and agrees that the Vendor are relying on such representations and warranties in connection with the sale of the Purchased Shares. The following representations and warranties are, unless otherwise specified, given as of the Effective Date.

- (a) **Incorporation and Corporate Power.** The Purchaser is a corporation incorporated and existing under the *Business Corporation Act* S.B.C. 2002, c. 57. The Purchaser has the corporate power and authority to enter into and perform its obligations under this Agreement and any Ancillary Agreement to which it is a party.
- (b) **Corporate Authorization.** The execution and delivery of and performance by the Purchaser of this Agreement and the consummation of the transactions contemplated by it have been duly authorized by all necessary corporate action on the part of the Purchaser.
- (c) **No Conflict.** The execution and delivery of and performance by the Purchaser of this Agreement and any applicable Ancillary Agreements to which it is a party:
 - (i) do not and will not (or would not with the giving of notice, the lapse of time or the happening of any other event or condition) constitute or result in a violation or breach of, or conflict with, or allow any

other Person to exercise any rights under, any of the terms or provisions of its constating documents or by-laws;

- (ii) do not and will not (or would not with the giving of notice, the lapse of time or the happening or any other event or condition) constitute or result in a breach (in any material respect) or violation of (in any material respect), or conflict with (in any material respect) or allow any other Person to exercise any rights under, any of the terms or provisions of any Contracts or instruments to which it is a party; and
 - (iii) do not and will not result in the violation of any Law in any material respect.
- (d) **Execution and Binding Obligation.** This Agreement have been duly executed and delivered by the Purchaser and constitute legal, valid and binding agreements of the Purchaser, enforceable against it in accordance with their respective terms subject only to any limitation under applicable Laws relating to (i) bankruptcy, winding-up insolvency, arrangement, fraudulent preference and conveyance, assignment and preference and other similar laws of general application affecting creditors' rights, and (ii) the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction.

ARTICLE 5 CLOSING DELIVERIES

5.1 Closing Deliveries of the Vendor.

On the Closing Date, the Vendor, shall deliver or cause to be delivered to the Purchaser all documents that are the responsibility of the Vendor, in form and substance satisfactory to the Purchaser acting reasonably, including but not limited to the following documents:

- (a) share certificates representing the Purchased Shares, accompanied by stock transfer powers duly executed in blank or duly executed instruments of transfer, and all such other assurances, consents and other documents as the Purchaser may reasonably request to effectively transfer to the Purchaser title to the Purchased Shares free and clear of all Encumbrances;
- (b) a certified of a resolution of the board of directors and the shareholders of the Corporation consenting to the transfer of the Purchased Shares from the Vendor to the Purchaser as contemplated by this Agreement and authorizing the execution, delivery and performance of this Agreement and of all contracts, agreements, instruments, certificates and other documents required by this Agreement to be delivered by the Corporation;
- (c) a certificate of status of the Corporation;

- (d) elections under section 85 of the Tax Act in prescribed form and elections in prescribed form under the corresponding provision of applicable provincial income tax statutes in accordance with Section 7.1; and
- (e) such other documentation as the Purchaser or its legal counsel may reasonably request.

5.2 Closing Deliveries of the Purchaser.

On the Closing Date, the Purchaser shall deliver or cause to be delivered to the Vendor all documents that are the responsibility of Purchaser, in form and substance satisfactory to the Vendor acting reasonably, including but not limited to the following documents:

- (a) the payment of the Purchase Price that is due on the Closing Date for the Purchased Shares by issuance of the Organic Flower Shares to account of Mulberry or as Mulberry may direct based upon the Value of the Organic Flower Shares due to be paid on such date;
- (b) a certified copy of a resolution of the board of directors of the Purchaser authorizing the Purchaser's execution, delivery and performance of this Agreement and of all contracts, agreements, instruments, certificates and other documents required by this Agreement to be delivered by the Purchaser;
- (c) receipts for the share certificates representing the Purchased Shares;
- (d) elections under section 85 of the Tax Act in prescribed form and elections in prescribed form under the corresponding provision of applicable provincial income tax statutes in accordance with Section 7.1;
- (e) reimbursement to the Vendor of the payment made on behalf of the Vendor as set out in Schedule 3.1(o);
- (f) 50,000 options to purchase shares of the Purchaser based upon the 5 day VWAP on the Closing Date to J.S. Alter Consulting Inc. for a two (2) year term for services provided that benefited the Purchaser
- (g) such other documentation as the Vendor or their legal counsel may reasonably request.

ARTICLE 6 POST-CLOSING COVENANTS OF THE PARTIES

6.1 Survival of the Contracts.

The Vendor will use its best efforts to cooperate with the Purchaser and the Corporation to obtain all consents, approvals and waivers that are required by the terms of the Contracts to which the Corporation is a party in order to complete the transactions contemplated by this

Agreement. Such consents, approvals and waivers will be upon such terms as are acceptable to the Purchaser, acting reasonably.

6.2 Filings and Authorizations.

The Vendor and the Purchaser, as promptly as practicable after the execution of this Agreement, will (i) make, or cause to be made, all filings and submissions under all Laws applicable to it, that are required for it to consummate the purchase and sale of the Purchased Shares in accordance with the terms of this Agreement, (ii) use its best efforts to obtain, or cause to be obtained, all Authorizations necessary or advisable to be obtained by it in order to consummate such transfer, and (iii) use its best efforts to take, or cause to be taken, all other actions necessary, proper or advisable in order for it to fulfill its obligations under this Agreement.

6.3 Confidentiality.

After the Closing, the Vendor will keep confidential all information in their possession or under their control relating to the Corporation and the Business, unless such information is or becomes generally available to the public other than as a result of a disclosure by the Vendor in violation of this Agreement, or unless the Vendor are required by Law to disclose such information.

6.4 Notwithstanding the Closing Date, the Purchaser shall remain liable for future payments due with respect to that portion of the Purchase Price due on each milestone date set out in Section 2.3 hereof.

6.5 Further Assurances.

From time to time after the Closing Date, each Party shall, at the request of any other Party, execute and deliver such additional conveyances, transfers and other assurances as may be reasonably required to effectively transfer the Purchased Shares to the Purchaser and carry out the intent of this Agreement.

ARTICLE 7 SECTION 85 ELECTION

7.1 Section 85 Election

(1) It is intended that the transfer hereunder of the Purchased Shares be on a tax deferred basis to the Vendor for purposes of the Tax Act and applicable provincial income tax statutes. In order to give effect to this intention, the Vendor and the Purchaser shall, in a timely manner, jointly execute and file elections under Section 85 of the Tax Act in prescribed form and elections in prescribed form under the corresponding provisions of applicable provincial income tax statutes in respect of the transfer hereunder of the Purchased Shares. The elected amounts (the “**Elected Amounts**”) for purposes of each such election will be determined by the Vendor in a manner consistent with the above-described intention.

- (2) If the Vendor and the Purchaser subsequently mutually determine, or if the Canada Revenue Agency or any other taxing authority issues, or proposes to issue, assessments or reassessments of additional liability for taxes or in respect of any other matter by reason of asserting that an elected amount is more or less than the Elected Amounts for the Purchased Shares as determined by the Vendor, then the Elected Amounts shall be increased or decreased as necessary but only to the extent that the Elected Amounts so revised is acceptable to the parties hereto, as the case may be, or is established by a court of competent jurisdiction (after all appeal rights have been exhausted or all time periods for appeal have expired without appeals having been taken) to be the Elected Amounts, as the case may be.
- (3) If an Elected Amount is varied in the circumstances described in paragraph (2) above, the Vendor and the Purchaser shall file a revised election(s) under the provisions of subsection 85(1) of the Tax Act and the corresponding provisions of all applicable provincial income tax statutes to give effect to the variation.

ARTICLE 8 INDEMNIFICATION

8.1 Survival.

- (1) The representations and warranties contained in this Agreement will survive the Closing and continue in full force and effect for a period of **six (6)** months after the Effective Date.
- (2) No Party has any obligation or liability with respect to any representation or warranty made by such Party in this Agreement after the end of the applicable time period specified in Section 8.1(1) except for claims relating to the representations and warranties that the Party has been notified of prior to the end of the applicable time period.

8.2 No Effect of Knowledge.

The right to indemnification or other remedy of any Party based on the representations, warranties, covenants and obligations contained in this Agreement exists notwithstanding any investigation or knowledge acquired prior to the Effective Date.

8.3 Indemnification in Favour of the Purchaser.

- (1) Subject to Sections 8.1, the Vendor will indemnify and save the Purchaser and its respective shareholders, directors, officers, employees, agents and representatives harmless of and from, and will pay for, any Damages suffered by, imposed upon or asserted against it or any of them as a result of, in respect of, connected with, or arising out of, under, or pursuant to:
 - (a) any breach or inaccuracy of any representation or warranty given by the Vendor contained in this Agreement;

- (b) any failure of the Vendor or the Corporation to perform or fulfill any of their covenants or obligations under this Agreement;
- (c) any failure of the Vendor or the Corporation to transfer good and valid title to the Purchased Shares to the Purchaser, free and clear of all Liens;
- (d) (i) claims, potential claims, or threatened claims against the Business, the Corporation for professional liability or negligent acts, errors or omissions in connection with the Business which have been made or notified to the Corporation or of which the Vendor have knowledge prior to the Closing Date, and (ii) any other event, fact or occurrence known to the Vendor prior to the Closing Date from which the Vendor could reasonably expect a claim to be made for negligent acts, errors or omissions in connection with the Business or against the Corporation; and
- (e) the Closing Reorganization (including, for greater certainty, any Tax liabilities arising thereafter in connection therewith and any asset or liability transferred as part of such Closing Reorganization).

8.4 Indemnification in Favour of the Vendor.

- (1) Subject to Sections 8.1, the Purchaser will indemnify and save the Vendor, harmless of and from, and will pay for, any Damages suffered by, imposed upon or asserted against it or any of them as a result of, in respect of, connected with, or arising out of, under or pursuant to:
 - (a) any breach or inaccuracy of any representation or warranty given by the Purchaser contained in this Agreement; and
 - (b) any failure of the Purchaser to perform or fulfill any of its covenants or obligations under this Agreement.

ARTICLE 9 MISCELLANEOUS

9.1 Notices.

Any notice, direction or other communication (each a “**Notice**”) given regarding the matters contemplated by this Agreement must be in writing, sent by personal delivery, courier or facsimile and addressed:

- (a) to the Vendor, as applicable, at:

Mulberry Capital Inc.
5000 Yonge Street, 10th Floor
Toronto, Ontario M2N 7E9

Attention: Barry Rotenberg
Telephone: 416-218-1133
Email: brotenberg@chaitons.com

(b) to the Purchaser at:

Organic Flower Investments Group Inc.
789 West Pender Street
Suite 1128
Vancouver, BC, V6C 1H2
Canada

Attention:
Email:

A Notice is deemed to be delivered and received (i) if sent by personal delivery or email, on the date of delivery if it is a Business Day and the delivery was made prior to 4:00 p.m. (local time in place of receipt) and otherwise on the next Business Day, (ii) if sent by same-day service courier, on the date of delivery if sent on a Business Day and delivery was made prior to 4:00 p.m. (local time in place of receipt) and otherwise on the next Business Day, (iii) if sent by overnight courier, on the next Business Day, or (iv) if sent by facsimile, on the Business Day following the date of confirmation of transmission by the originating facsimile. A Party may change its address for service from time to time by providing a Notice in accordance with the foregoing. Any subsequent Notice must be sent to the Party at its changed address. Any element of a Party's address that is not specifically changed in a Notice will be assumed not to be changed. Sending a copy of a Notice to a Party's legal counsel as contemplated above is for information purposes only and does not constitute delivery of the Notice to that Party. The failure to send a copy of a Notice to legal counsel does not invalidate delivery of that Notice to a Party.

9.2 Time of the Essence.

Time is of the essence in this Agreement.

9.3 Covenant on Brokers.

The Vendor shall indemnify and save harmless the Purchaser, the Corporation from and against any and all claims, losses and costs whatsoever for any commission or other remuneration payable or alleged to be payable to any broker, agent or other intermediary who purports to act or have acted for the Vendor or the Corporation. The Purchaser shall indemnify and save harmless the Vendor from and against any and all claims, losses and costs whatsoever for any commission or other remuneration payable or alleged to be payable to any broker, agent or other intermediary who purports to act or have acted for the Purchaser.

9.4 Announcements.

No press release, public statement or announcement or other public disclosure (a "Public Statement") with respect to this Agreement or the transactions contemplated in this

Agreement may be made except with the prior consent of the Purchaser. Where the Public Statement is required by Law or a Governmental Entity, the Party required to make the Public Statement will use its reasonable efforts to obtain the approval of the other Party as to the form, nature and extent of the disclosure.

9.5 Third Party Beneficiaries.

Except as otherwise provided herein, the Vendor and the Purchaser intend that this Agreement will not benefit or create any right or cause of action in favour of any Person, other than the Parties. Except for the Indemnified Persons or as otherwise provided herein, no Person, other than the Parties, shall be entitled to rely on the provisions of this Agreement in any action, suit, proceeding, hearing or other forum. The Parties reserve their right to vary or rescind the rights at any time and in any way whatsoever, if any, granted by or under this Agreement to any Person who is not a Party, without notice to or consent of that Person, including any Indemnified Person.

9.6 Liability.

The Vendor is liable, as principal obligor and not as surety, with respect to all of the representations, warranties, covenants, indemnities and agreements of the Vendor contained in this Agreement and each Ancillary Agreement.

9.7 Expenses.

Except as otherwise expressly provided in this Agreement, each Party will pay for its own costs and expenses incurred in connection with this Agreement and the transactions contemplated by them. The fees and expenses referred to in this Section are those which are incurred in connection with the negotiation, preparation, execution and performance of this Agreement, and the transactions contemplated by this Agreement, including the fees and expenses of legal counsel, investment advisers and accountants.

9.8 Arbitration

(1) Settling Disputes

If any dispute, claim, question or difference arising out of or in connection with the Agreement, or in respect of any legal relationship associated with or derived from the Agreement (a “**Dispute**”), the Parties shall attempt to settle the Dispute by negotiation. If the Dispute has not been resolved, for any reason, within 30 Business Days following delivery of a notice of Dispute, the Dispute will be resolved by arbitration as provided in Section 9.8(2).

(2) Arbitration

- (a)** A Party may commence arbitration in respect of a Dispute by delivering to the other Party and to the ADR Institute of Canada Inc. a written notice of arbitration. The Dispute will be arbitrated and resolved under the *National Arbitration Rules* of the ADR Institute of Canada, Inc.

- (b) The place of arbitration will be Toronto, Ontario and the language of the arbitration will be English.
- (c) The arbitration will be kept confidential and the existence of the proceeding and any element of it (including any pleadings, briefs or other documents submitted or exchanged, any testimony or other oral submissions and any awards) will not be disclosed beyond the arbitrator, the Parties, their counsel and any person necessary to the conduct of the proceeding, except as may lawfully be required in judicial proceedings relating to the arbitration or otherwise or as may be required by Law.
- (d) The arbitration decision and award will be final and binding on the Parties and will not be subject to any appeal, whether on a question of law, of fact or of mixed law and fact.
- (e) The fees and expenses related to the arbitration shall be assumed by the Party or Parties against which the arbitration decision and award is rendered.
- (f) This arbitration provision will be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal law of Canada applicable therein.

9.9 Amendments.

This Agreement may only be amended, supplemented or otherwise modified by written agreement signed by the Vendor and the Purchaser.

9.10 Waiver.

No waiver of any of the provisions of this Agreement or any Ancillary Agreement will constitute a waiver of any other provision (whether or not similar). No waiver will be binding unless executed in writing by the Party to be bound by the waiver. A Party's failure or delay in exercising any right under this Agreement will not operate as a waiver of that right. A single or partial exercise of any right will not preclude a Party from any other or further exercise of that right or the exercise of any other right.

9.11 Non-Merger.

Except as otherwise expressly provided in this Agreement, the covenants, representations and warranties shall not merge on and shall survive the Closing. Notwithstanding the Closing or any investigation made by or on behalf of any Party, the covenants, representations and warranties shall continue in full force and effect. Closing shall not prejudice any right of one Party against any other Party in respect of anything done or omitted under this Agreement or in respect of any right to damages or other remedies.

9.12 Independent Legal Advice.

Each of the Parties to this Agreement acknowledges and agrees that Chaitons LLP has acted as counsel only to the Vendor and that Chaitons LLP is not protecting the rights and

interests of any other party to this Agreement. The Purchaser acknowledges and agrees that the Purchaser has had the opportunity to seek and obtain independent legal advice with respect to the subject matter of this Agreement and, further, the Purchaser hereby represents and warrants that the Purchaser has sought and obtain such independent legal advice.

9.13 Entire Agreement.

This Agreement constitutes the entire agreement between the Parties with respect to the transactions contemplated by this Agreement and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Parties. There are no representations, warranties, covenants, conditions or other agreements, express or implied, collateral, statutory or otherwise, between the Parties in connection with the subject matter of this Agreement, except as specifically set forth in this Agreement. The Parties have not relied and are not relying on any other information, discussion or understanding in entering into and completing the transactions contemplated by this Agreement and the Ancillary Agreements.

9.14 Successors and Assigns.

This Agreement becomes effective only when executed by the Vendor, and the Purchaser. After that time, it will be binding upon and enure to the benefit of the Vendor, the Purchaser and their respective successors and permitted assigns. The Vendor acknowledge that the benefit of this Agreement and the assets and liabilities of the Corporation may be directly or indirectly assigned, transferred or provided, without the consent of any of the Vendor, to any subsidiary, affiliate or successor of the Purchaser or any purchaser of the Purchaser's business (or any portion thereof) or the Corporation's business, provided that the Purchaser continues to be liable for its obligations hereunder after such assignment or transfer.

9.15 Severability.

If any provision of this Agreement is determined to be illegal, invalid or unenforceable by an arbitrator or any court of competent jurisdiction, that provision will be severed from this Agreement and the remaining provisions shall remain in full force and effect.

9.16 Governing Law.

This Agreement will be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

9.17 Counterparts.

This Agreement may be executed in any number of counterparts (including counterparts by facsimile) and all such counterparts taken together shall be deemed to constitute one and the same instrument.

9.18 Purchaser's Condition

This Agreement is conditional upon the Purchaser obtaining a fairness opinion from Evans & Evans within fifteen (15) days of the date hereof on terms and conditions satisfactory to it in its sole and unfettered discretion confirming that price for the Purchased Shares being acquired hereunder is reasonable.

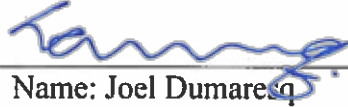
In the event the foregoing condition has not been satisfied within the time limit, the Purchaser shall have the right to deliver notice in writing to the Vendor within such time, terminating this Agreement and this Share Purchase Agreement shall be null and void and the parties hereto relieved of any obligation and liability hereunder. In the event notice in writing is not so delivered within the time hereinbefore limited, the foregoing condition shall be deemed not to have been satisfied in which event this Share Purchase Agreement shall be null and void and the parties hereto relieved of any obligation and liability hereunder.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF the Parties have executed this Share Purchase Agreement.

**ORGANIC FLOWER INVESTMENTS
GROUP INC.**

Per:



Name: Joel Dumaresq
Authorized Signing Representative

MULBERRY CAPITAL INC.

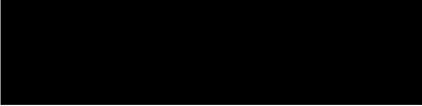
Per:



Name: Barry Rotenberg
Authorized Signing Officer

Schedule A

Proportions of the Holdings of the Shares

	ISSUED AND OUTSTANDING SHARES OF THE CORPORATION IMMEDIATELY BEFORE THE CLOSING	ALLOCATION
	<hr/> # of Shares	<hr/> Shares (\$)
	100	\$42,500,000 CAD
Total:	100	<hr/> \$42,500,000 CAD

Schedule B

Joint Venture Agreement

Schedule C

Lease Agreement

Schedule 1.1(d)

Assets of the Corporation

1. An eighty (80%) percent interest pursuant to the Joint Venture Agreement including the lease for 160 Eagle Drive, Winnipeg including an option to purchase;
2. Option to Purchase Cavalier Candies Ltd. and Cavalier Foods Ltd.;
3. Option to Lease 185 Bannatyne Avenue East, Winnipeg, Manitoba R3B 0R4;
4. Option to Purchase 185 Bannatyne Avenue East, Winnipeg, Manitoba R3B 0R4

Schedule 1.1(j)

Closing Reorganization

1. Resignation of officers and directors of the Corporation
2. Appoint the Purchaser's proposed officers and directors
3. Transfer the Purchased Shares from the Vendor to the Purchaser

Schedule 3.1(e)


Required Authorizations

1. As per paragraph 8 of the Articles of Incorporation of the Corporation, no shares shall be transferred without either:
 - a) the previous consent of the directors of the Corporation expressed by a resolution passed at a meeting of the directors or by an instrument or instruments in writing signed by a majority of the directors; or
 - b) the previous consent of the holders of at least fifty-one per cent (51%) of the shares for the time being outstanding entitled to vote expressed by resolution passed at a meeting of the shareholders or by an instrument or instruments in writing signed by such shareholders.

Schedule 3.1(i)

Authorized and Issued Capital of Corporation

1. Authorized Capital: Unlimited Common Shares
2. Issued Capital:

Shareholder	Class of Shares	Certificate Number	Number of Shares
	Common	1	100

Schedule 3.1(o)

Conduct of Business out of Ordinary Course

1. A commitment to pay \$9,000,000 CAD of shares of a public company to the Joint Venture partner subject to certain events occurring.
2. A commitment to pay \$3,000,000 CAD in cash to the Joint Venture partner.
3. A commitment to fund up to \$12,000,000 CAD to pay for the renovation of the Leased Premises, the construction of a production facility of approximately 51,000 square feet and machinery and equipment required to operate same and working capital all in accordance with the Joint Venture Agreement.
4. Obligation to reimburse expenses of the Vendor incurred or owing to date including:
 - (a) Three Monthly payment of Manager's Fee of \$25,000 CAD each plus HST;
 - (b) Two payments to More Corp. of the guaranteed commission in the amount of \$14,583 CAD plus HST;
 - (c) expenses of J.S. Alter Consulting Inc. for Site Inspection in the amount of \$1,117.95 CAD
 - (d) out of pocket investigation of other edibles operations in the US and attendance at convention advanced to Joint Venture partner in the amount of \$25,000 CAD
 - (e) Environmental Report Fee of \$2,830 CAD paid to Pinchin Ltd.
5. A Commitment to pay \$1,000,000 CAD in shares of a public company for a six (6) month option to purchase Cavalier Candies Ltd. and Cavalier Foods Ltd. for \$12,500,000;
6. A commitment to pay \$1,000,000 CAD in shares of a public company for a further six (6) month option to purchase the assets of Cavalier Candies Ltd. and Cavalier Foods Ltd.;
7. Obligation to pay More Corp sale and marketing fee/commission with termination payment.

8. Ongoing obligation of the Joint Venture to pay management fees to the manager, sales commissions to More Corp., an annual fee to Aaron Rotenberg of \$100,000 per annum, and an agreement to issue 50,000 option to J.S. Alter Consulting Inc. for a two (2) year term for services provided that benefitted the Purchaser.

Schedule 3.1(u)

Leases and Leased Properties

NIL.

Schedule 3.1(w)

Material Contracts

1. Joint Venture Agreement dated October 16, 2018 between the SUHM Investments Inc., Quality Confections Canada Ltd., The Edibles and Infusions Corporation and 10026310 Manitoba Ltd.

2. Sale and Marketing Agreement dated October 16, 2018 between SUHM Investments Inc., Quality Confections Canada Ltd. and More Corp.

3. Option to Purchase Cavalier Candies Ltd. and Cavalier Foods Ltd.

4. Draft Lease for 185 Bannatyne Avenue, Winnipeg, Manitoba R3B 0R4

5. Draft Lease for 160 Eagle Drive, Winnipeg, Manitoba R2R 1V5

Schedule 3.1(y)

Liabilities

NIL.

Schedule 3.1(cc)

Taxes

NIL.

Schedule 5.1
Closing Agenda

JOINT VENTURE AGREEMENT

THIS AGREEMENT made as of the 16th day of October, 2018.

AMONG:

SUHM INVESTMENTS INC.

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

OF THE FIRST PART,

AND:

QUALITY CONFECTIONS CANADA LTD.

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

OF THE SECOND PART

AND:

THE EDIBLES AND INFUSIONS CORPORATION

(hereinafter referred to as the “**Trustee**”)

OF THE THIRD PART.

AND:

10026310 MANITOBA LTD.

(hereinafter referred to as the “**Manager**”)

OF THE FOURTH PART.

WHEREAS:

- (a) The Trustee shall hold registered title to the Business, Property including Improvements thereon, and Project as trustee for SUHM as to an undivided 80% interest and QCC as to the remaining undivided 20% interest, as beneficial owners of the Business including the Property;
- (b) The Joint Venturers wish to enter into this Agreement for the purpose of setting forth the various terms, provisions and conditions governing their respective interests in the Business including the Property;
- (c) The Trustee has not carried on any other business and will not except for the ownership and operation of the Business including the Property as Trustee for SUHM and QCC and the entering into contracts, agreements, mortgages and similar instruments with respect to the Property and Business, and the production and sale of the Edibles and Infusions;
- (d) The Manager is a party to this Agreement solely in order to agree to the terms of the Management Agreement contained in Section 5.25 with the other parties hereto.

NOW THEREFORE in consideration of the mutual covenants of the parties hereinafter contained and of other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged), it is hereby agreed as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

Unless the context otherwise requires, the terms defined in this Agreement shall, for all purposes, have the meanings set forth below:

- (a) “**Accredited Appraiser**” shall mean a Person or Persons dealing at arm’s length with each Joint Venturer who have had experience in appraising properties and business similar in nature to the Project and who enjoys fully accredited memberships in the Appraisal Institute of Canada (or its successor, or failing either, another equivalent Canadian real estate appraisal organization for valuing the Property and a business valuator for the valuation of the Business).
- (b) “**Affiliate**” with respect to each of the Joint Venturers shall mean an Acceptable Associated Corporation.
- (c) “**Agreement**” shall mean this agreement.
- (d) “**Acceptable Associated Corporation**” shall mean:
 - (i) a corporation of which the majority of the Voting Security (as defined in the *Business Corporations Act*, 1982) in the capital is owned by:
 - (A) any one or more of James Fletcher, Walter Fletcher and Laurel Fletcher, their parents, wives, brothers, sisters, descendants and the spouses of their descendants (collectively the “**Permitted Assigns**”); or
 - (B) a trust or trusts, substantially all the interest in which is held for the benefit of one or more of the Permitted Assigns or a trust or trusts otherwise acceptable to the other Joint Venturer; or
 - (C) a corporation or corporations a majority of the Voting Security in the capital of which is owned by:
 - 1. any one or more of the Permitted Assigns; or
 - 2. a trust or trusts of which substantially all the interest is held for the benefit of one or more of the Permitted Assigns; or
 - (D) any combination of one or more of the Permitted Assigns, one or more trusts of the type described in clause (B) and one or more corporations of the type described in clause (C); or
 - (ii) a corporation which is otherwise acceptable to the other Joint Venturer;
 - (iii) a Canadian corporation whose shares are listed or for trading on the CSE or TSX or similar stock exchange in Canada.
- (e) “**Business**” shall mean the production and sale of the Edibles and Infusions.
- (f) “**Business Day**” shall mean a day when the Joint Venture’s bank is open for normal banking business and, without limitation, shall exclude Saturdays, Sundays and provincial statutory holidays in Ontario, Manitoba and/or federal statutory holidays.
- (g) “**Cash Surplus**” shall have the meaning assigned thereto in Section 4.2.
- (h) “**Cause**” shall have the meaning assigned there to in Section 5.26.
- (i) “**Joint Venture**” shall mean the Joint Venture established by this Agreement.
- (j) “**Joint Venturer**” shall mean each of SUHM and QCC.
- (k) “**Date of Closing**” shall have the meaning assigned thereto in ARTICLE 8 and ARTICLE 9.
- (l) “**Defaulter**” shall mean a Joint Venturer in respect of which an Event of Default has occurred and is continuing.

- (m) **“Edibles and Infusions”** shall mean the production of edibles and similar products which include Cannabis or Hemp Oil including THC and CBD or their derivatives or synthetic alternatives infused confectioneries, baked goods, ice cream and gummies and elixirs including cosmetics, anti-anxiety, pain reducing salves, oil, cream and similar products whether for humans or animals and other products the Joint Venture agrees to produce and/or market.
- (n) **“Equipment”** shall mean the equipment required to efficiently operate the Business.
- (o) **“Event of Default”** shall mean, when used in relation to a Joint Venturer, that:
- (i) QCC or SUHM has defaulted in its obligation to provide to the Joint Venture, when required the funds required pursuant to Sections 2.12 and/or 3.2 and shall have failed to cure such default within 15 Business Days after receipt by it of a notice from the Management Committee or from the non-defaulting Joint Venturer asking it to cure such default;
 - (ii) a Joint Venture Interest is no longer owned by a Joint Venturer or an Affiliate;
 - (iii) a Joint Venturer shall have defaulted in the observance of its covenant in Section 7.1(b) and does not cure such default within 5 Business Days after receipt by the Joint Venturer of a notice from the Management Committee or from the other Joint Venturer asking it to cure such default;
 - (iv) a Joint Venturer shall have defaulted, for any reason other than Unavoidable Delay, in the observance or performance of any of its other covenants and obligations under or by virtue of this Agreement not otherwise referred to in Section 1.1(o) and:
 - (A) if such default can with due diligence be cured within 15 days, the Joint Venturer does not cure such default within 15 days after receipt by the Joint Venturer of a notice from the Management Committee or from the other Joint Venturer asking it to cure such default: or
 - (B) if such default cannot with due diligence be cured within 15 days, the Joint Venturer does not promptly commence and proceed with due diligence to cure such default as soon as is reasonably possible and, in any event, within 60 days after receipt by the Joint Venturers of a notice from the Management Committee or from the other Joint Venturer asking it to cure such default; and
 - (v) a Joint Venturer shall have defaulted in the performance of an agreement to purchase the other Joint Venturer’s Joint Venture Interest or sell its Joint Venture Interest pursuant to Article 8.00.
- (p) **“Event of Insolvency”** shall mean, when used in relation to a Joint Venturer, that:
- (i) a resolution is passed or an order made for the winding-up, liquidation, revocation or cancellation of incorporation of such Joint Venturer except as part of an orderly reorganization or a petition is filed for the winding-up, liquidation, revocation or cancellation of incorporation of such Joint Venturer, unless such petition is being disputed in good faith by appropriate proceedings and such proceedings effectively postpone enforcement of such petition;
 - (ii) such Joint Venturer makes an assignment for the benefit of its creditors;
 - (iii) such Joint Venturer becomes bankrupt or, as an insolvent debtor, takes the benefit of any act now or hereafter in force for bankrupt or insolvent debtors; or
 - (iv) a receiver or other officer with like powers is appointed for such Joint Venturer, for all or a substantial part of the assets of such Joint Venturer or for such Joint Venturer’s Joint Venture Interest, unless the appointment of such receiver or other

officer with like powers is being disputed in good faith and such proceedings effectively postpone enforcement of such appointment.

- (q) “**GST**” shall mean Goods and Services Tax under The Excise Tax Act (Canada).
- (r) “**General Manager**” shall mean the person identified by QCC and approved by SUHM to manage and operate the Business.
- (s) “**HST**” shall mean Harmonized Sales Tax under The Excise Tax Act (Canada).
- (t) “**Improvements**” shall mean all buildings, structures, Equipment and other improvements hereafter constructed or installed on the Property and all modifications, alterations, additions or improvements thereto.
- (u) “**Interest Rate**” shall mean a rate of interest which at all times is 2% above the Prime Rate.
- (v) “**Management Committee**” shall mean the management committee established pursuant to Article 5.00.
- (w) “**Manager**” shall have the meaning assigned thereto in Section 5.25(i).
- (x) “**Offeree**” shall have the meaning assigned thereto in Section 7.7 and Article 8.
- (y) “**Offeror**” shall have the meaning assigned thereto in Section 7.7 and Article 8.
- (z) “**Operations**” shall mean any or all of the acquisition, financing, development, construction, operation or repair and maintenance of the Improvements and/or the Property;
- (aa) “**Operator**” shall have the meaning assigned thereto in Section 6.7.
- (bb) “**Permitted Encumbrances**” shall mean, when used in relation to a Joint Venturer’s Joint Venture Interest:
 - (i) liens for taxes, assessments or governmental charges or levies which are not at the time due and delinquent or the validity of which is being contested by the Joint Venturer in good faith, provided that such contestation involves no forfeiture or loss of any part of the Joint Venturer’s Joint Venture Interest;
 - (ii) undetermined or inchoate liens or charges which have not at the time been filed pursuant to law against the Joint Venturer or which relate to obligations not due or delinquent;
 - (iii) liens of or in respect of any judgment rendered or claim filed against the Joint Venturer or any of its property which may be satisfied by the payment of money and which the Joint Venturer is contesting in good faith, provided that such contestation prevents the forfeiture or loss of any part of the Joint Venturer’s Joint Venture Interest;
 - (iv) mortgages, pledges, charges, equipment lease agreements, assignments by way of security, easements, liens, leases, restrictions and other encumbrances and interests affecting the Property or Equipment created by all of the Joint Venturers in connection with the Operations or permitted under this Agreement;
 - (v) provided same do not impede the Project, easements and rights of way for sewers and utilities and zoning and other restrictions established by any municipal authority or otherwise registered against title to the Property governing the use thereof; and
 - (vi) if SUHM is owned by a public company, then said public company may as part of a debenture and/or financing, pledge its interest in Joint Venture.

- (cc) **“Person”** shall mean a natural person, firm, trust, partnership, association, corporation, government or governmental board, agency or instrumentality.
- (dd) **“Prime Rate”** shall mean at any time the rate of interest per annum then most recently announced by the Joint Venture’s bankers at its head office branch in Winnipeg, Manitoba or Toronto, Ontario as its prime rate for unsecured commercial loans in Canadian funds payable on demand.
- (ee) **“Project”** shall mean the acquisition of the Property whether by purchase or lease, the construction of the Improvements to be constructed on the Property in accordance with plans and specifications approved by the Management Committee and currently intended to be an individual Building containing approximately 50,000 square feet of gross floor area with aboveground parking, the acquisition and installation of the Equipment required to operate the Business, hiring a General Manager and employees and the production and sale of the Edibles and Infusions.
- (ff) **“Property”** shall mean a sufficiently large site of land to develop the Project with additional land for expansion to be purchased by or leased by the Joint Venture in the City of Winnipeg, and shall include any Building erected thereon from time to time.
- (gg) **“Purchaser”** shall have the meaning assigned thereto in Articles 7, 8 and 9, as the case may be.
- (hh) **“Share”** shall mean, with respect to with respect to SUHM, 80% and with respect to QCC, 20%.
- (ii) **“Joint Venture Interest”** shall mean, when used in relation to a Joint Venturer, all such Joint Venturer’s right, title and interest in and to the Property, the Business, the Improvements and in all other property acquired by the Joint Venturers in connection therewith.
- (jj) **“Time of Closing”** shall mean 1:00 P.M., Winnipeg time, or such other time on the Date of Closing as the particular Vendor and Purchaser may agree upon.
- (kk) **“Unavoidable Delay”** shall mean a delay in the performance of an act or compliance with a covenant caused by an act of God, fire, strike, lockout, inability to obtain or delay (which is not reasonably within the control of the party obliged to perform or comply) in obtaining material, equipment or transport, inability to obtain or delay (which is not reasonably within the control of the party obliged to perform or comply) in obtaining governmental approvals, permits, licences or allocations, restrictive laws or governmental regulations or any other cause, whether of the kind specifically enumerated above or not, which is not reasonably within the control of the party obliged to comply or perform, but does not mean a delay caused by lack of funds or other financial reasons of a party.
- (ll) **“Vendor”** shall have the meaning assigned thereto in Articles 7, 8 and 9, as the case may be.

1.2 Currency

All payments contemplated herein shall be made in Canadian funds.

1.3 Gender and Number

Words importing the singular number only shall include the plural, and vice versa, and words importing the masculine gender shall include the feminine gender and neuter gender and words importing Persons shall include firms and corporations, and vice versa.

1.4 Headings

The division of this Agreement into Articles and Sections and the Article and Section headings are for convenience of reference only and shall not affect the interpretation or construction of this Agreement.

1.5 Calculation of Time Periods

When calculating the period of time within which or following which any act is to be done or step taken pursuant to this Agreement, the date which is the reference day in calculating such period shall be excluded. If the last day of such period is a non-Business Day, the period in question shall end on the next Business Day.

1.6 Applicable Law

This Agreement shall be governed by the laws of the Province of Manitoba and the laws of Canada applicable therein and shall be treated in all respects as an Manitoba contract. Each of the parties hereto irrevocably attorns to the jurisdiction of the courts of the Province of Manitoba.

1.7 Severable

If any covenant, obligation, agreement and provision contained in this Agreement or the application thereto to any Person or circumstance shall to any extent be invalid or unenforceable, the remainder of this Agreement or the application of such covenant, obligation, agreement and provision to Persons or circumstances, other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each covenant, obligation, agreement and provision of this Agreement shall be separately valid and enforceable to the fullest extent permitted by law. The parties agree that they would have signed this Agreement without such invalid or unenforceable part included herein.

1.8 Entire Agreement

This Agreement constitutes the entire agreement between the parties relating to the Joint Venture and the Property and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, among the parties with respect thereto, except as specifically referred to or contemplated herein. The Recitals to this Agreement on page 1 shall be considered binding representations and/or terms, as the case may be, which form part of this Agreement.

1.9 Amendments

No amendment or modification of this Agreement shall be binding unless in writing and signed by the parties.

1.10 Waiver

No waiver by a Joint Venturer of any breach of any of the provisions of this Agreement by the Joint Venturer shall take effect or be binding upon the party unless in writing and signed by such Joint Venturer. Unless otherwise provided therein, such waiver shall not limit or affect the rights of the Joint Venturer with respect to any other breach.

1.11 Time of Essence

Time shall be of the essence of this Agreement.

1.12 Statutes

Any reference to a statute includes and is a reference to such statute and to the regulations made pursuant thereto, with all amendments made thereto and in force from time to time, and to any statute or regulation that may be passed which has the effect of supplementing or superseding such statute or such regulations.

1.13 Successors and Assigns

Subject to the provisions of Article 7, this Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns.

ARTICLE 2 THE JOINT VENTURE

2.1 Establishment of the Joint Venture

The Joint Venturers agree to own and finance the Property, construct the Improvements required for the Project, operate the Business including the production, marketing and sale of the Edibles and Infusions, manage, operate, lease and maintain the Property as tenants in common in accordance with the terms of this Agreement.

2.2 Name of The Joint Venture

The name of the Trustee shall be such name as determined by the Management Committee, currently "The Edibles and Infusions Corporation".

2.3 Registration of Name

The Joint Venturers shall effect such registrations with respect to the chosen name as may be necessary or desirable to preserve their ownership right in the name and to ensure use of the name solely in connection with the Joint Venture.

2.4 Term

- (a) This Agreement is effective from and after the 16th day of October, 2018.
- (b) This Agreement shall continue in full force and effect until the later of the date that any portion of the Project is no longer registered in the name of the Trustee (all accounts payable are paid and any outstanding litigation is settled) and the date that final settlement has been made among the Joint Venturers in accordance with Section 2.4(c) and final income and expense statements are prepared;
- (c) In the event that the Project is no longer owned by the Joint Venturers as provided in 2.4(b) above or in the event the Joint Venturers agree to terminate this Agreement, the Joint Venturers shall make a final settlement among themselves to the end that, subject to Sections 2.9 and 5.24, the Joint Venturers shall have shared all of the rights and benefits and borne all of the liabilities and obligations of the Joint Venture in accordance with their respective Share and Section 4.1 and provided that any distribution of funds shall be made only in accordance with Section 4.1.

2.5 New Agreement

If the events in Section 7.5 occur, then the parties shall, at the request of any Joint Venturer, at any time and from time to time, enter into a new agreement superseding this Agreement. Such new agreement shall be the same as this Agreement in all respects, except that it shall be dated the date of its execution and shall reflect the then parties to this Agreement and their respective shares and Joint Venture Interests. In particular, such new agreement shall contain a provision to the same effect as this Section 2.5. No such new agreement shall release any Joint Venturer from any obligations existing prior to the date of the execution of the new agreement, except in compliance with Section 7.6.

2.6 Share

(i) Property and Liabilities

Unless and until otherwise agreed to between the parties, the Joint Venture Interest of each Joint Venturer in each and every asset and property, whether real or personal, tangible or intangible, now owned or hereafter acquired by the Joint Venturers shall be equal to its

Share. Each Joint Venturer shall be responsible for liabilities of the Joint Venture in an amount equal to its Share.

(ii) **Revenues and Expenses**

Each Joint Venturer shall be entitled to the revenues of the Joint Venture in an amount equal to its Share and shall be responsible for expenses of the Joint Venture in an amount equal to its Share. Accounts for the Joint Venture shall be prepared on this basis.

2.7 **Not a Partnership**

Nothing in this Agreement shall be construed to constitute any of the Joint Venturers a partner, agent or representative of the others or to create any trust or any commercial or other partnership, other than the relationship specifically defined and created herein.

2.8 **No Authority to Bind**

Except as expressly provided in this Agreement, a Joint Venturer shall not have any authority to bind the other Joint Venturer.

2.9 **Indemnification for Unauthorized Acts**

Each Joint Venturer (the “**Indemnitor**”) hereby irrevocably and unconditionally undertakes and agrees to indemnify and save harmless the other Joint Venturer (the “**Indemnitee**”) from and against any and all liability, loss, harm, damage, cost or expense, including legal fees, on a full indemnity basis, which the Indemnitee may suffer, incur or sustain as a result of any act of the Indemnitor outside the scope of or in breach of this Agreement.

2.10 **Rights and Liabilities of Joint Venturers**

Subject to Sections 2.9, each Joint Venturer shall be liable only for its Share of the liabilities and obligations of the Joint Venturers under any agreements made by the Joint Venture with respect to the Project or the Improvements and shall not be liable for the other Joint Venturer’s Share of such liabilities and obligations. Each Joint Venturer shall be entitled only to its Share of the rights and benefits of the Joint Venturers under any such agreements. Each Joint Venturer hereby indemnifies and agrees to save harmless the others from and against any and all amounts, claims, demands, liabilities or obligations whatsoever in excess of the Share of such Joint Venturer which have been incurred by such Joint Venturer as a result of or in relation to the Project.

2.11 **Other Activities**

SUHM shall have the right to engage in other businesses or ventures for its own individual profit without any accountability to QCC, even if such other businesses or ventures are similar to or compete with the Project or the Improvements. None of QCC, James Fletcher and Laurel Fletcher shall have the right to engage in other businesses or ventures for its own individual profit without the approval of SUHM, if such other businesses or ventures are similar to or compete with the Business.

No Joint Venturer or any officer, director or shareholder of a Joint Venturer shall be required to devote any particular amount of time or attention to the Joint Venture, save as otherwise provided herein.

2.12 **Investment**

(i) Purposes

The Joint Venturers confirm and agree that the Business, Property and the Improvements shall be owned and held by them for the purpose of the operation of the Project, both as an online business and a wholesale business of the Edibles and Infusions and the licensing of brand names created, recipes and formula created and pre-mixed materials required to create the Edibles and/or Infusions, subject to compliance with all applicable laws.

(ii) **Initial Capital**

For the purposes of this Agreement the parties have determined that the initial capital to be invested by them at the commencement of the term of this Joint Venture shall be the sum of \$12,000,000 to be divided as follows:

SUHM	\$9,600,000
QCC	\$2,400,000

The initial capital shall be advanced to the Trustee in accordance with the Schedule and Budget approval by the Management Committee with the first advance expected to be approximately January 31, 2019. QCC's \$2,400,000 of initial capital shall be funded by SUHM lending the \$2,400,000 to QCC without interest repayable out of y% of the annual net after tax cash distributed from the Business to QCC. Any balance remaining outstanding on the loan from SUHM to QCC shall be repaid by QCC to SUHM on July 1, 2028. For the purposes of this section 2.12(ii), "y%" shall mean 100% of the cash distributed from the Business to QCC in the particular year less that percentage of the cash that is equal to the top corporate tax rate imposed on active business income in the year in the Province of Manitoba (aggregating both the top corporate tax rates under the Income Tax Act (Canada) and the Income Tax Act (Manitoba)).

2.13 Capital Cost Allowance

Each Joint Venturer may claim such deductions or depreciation in respect of its Joint Venture Interest as it, in its sole discretion, deems advisable and as it may by law be allowed to claim.

2.14 Performance by Joint Venturers

Each Joint Venturer hereby represents and warrants that it has full power, authority and legal right to enter into and be bound by this Agreement and covenants and agrees:

- (a) to promptly notify the other Joint Venturer of all material matters coming to the attention of such Joint Venturer concerning the Property, the Business, the Project and the Improvements;
- (b) to perform and observe all the terms and conditions of this Agreement;
- (c) to punctually execute and deliver, or cause to be executed and delivered, such instruments as may from time to time be required in order to carry out the purposes of the Joint Venture; and
- (d) to punctually pay and discharge its separate and several debts and liabilities due or incurred pursuant to this Agreement.

2.15 No Partition or Sale

No Joint Venturer and no Person claiming through or under a Joint Venturer shall partition or apply to the court for the partition or sale of the Property.

2.16 Title To Property

The Joint Venturers hereby direct and authorize the Trustee to hold registered title to the Property and the Project in accordance with Recital (a) on the first page of this agreement and in accordance with ARTICLE 11.

2.17 Legal Fees

The Joint Venturer shall be reimbursed out of the funds of the Joint Venture for their reasonable legal fees incurred by each of them for legal advice regarding this Agreement.

ARTICLE 3 FINANCING AND ADDITIONAL CAPITAL

3.1 Borrowing from Third Parties

Any and all amounts required from time to time for construction of the Project in excess of the amounts provided for in Section 2.12, including, without limitation, any amounts required for or in respect of the Operations, shall be obtained, to the maximum extent reasonably possible, by way of mortgaging of the Property and/or financing the Business with institutional lenders or leasing Equipment from reputable leasing companies. The decision as to whether or not such funds are required, from whom the same shall be borrowed and/or leased, and the terms and conditions of such borrowing or leasing shall be determined by the Management Committee. The said mortgage or loan(s) or leases shall be on a non-recourse basis, with the intent that any liability of the Joint Venturers thereunder shall be limited to and satisfied solely out of their respective Joint Venture Interests, unless Management Committee makes a decision that same shall be obtained with the several guarantees of the Joint Venturers on an 80/20 basis for SUHM and QCC respectively. This provision shall apply mutatis mutandis of the Joint Venture leasing equipment, namely, that any lease shall be non-recourse to the Joint Venturer unless otherwise decided by Management Committee.

3.2 Additional Capital

If at any time there is insufficient cash in the Joint Venture to fund its budgeted expenditures on a timely basis, and if funds are required in excess of those available from third party sources as contemplated in Section 3.1 Management Committee may make a decision as to how much additional capital is required for the purposes of the Joint Venture being able to fund its budgeted expenditures (the “ **Additional Capital** ”) and such Additional Capital shall be provided by each of QCC as to 20% and SUHM as to 80%.

ARTICLE 4 CASH SURPLUS. DISTRIBUTIONS

4.1 Distribution of Cash Surplus

Subject as hereinafter provided, the Cash Surplus of the Joint Venture shall be distributed to the Joint Venturers, as and when funds become available, in the priority and manner as follows:

- (a) Firstly, in payment to SUHM and QCC on an 80/20 basis, respectively, of the principal balance of any monies advanced by them and remaining outstanding for Capital and/or as referred to in Section 2.12(ii) and/or in accordance with Sections 2.12(iii) and/or 3.2;
- (b) Secondly, the balance, if any, to each of SUHM and QCC on an 80%/20% basis, respectively.

Provided further that if QCC is indebted to SUHM in respect of loans made to QCC as contemplated by Section 2.12(ii), or if a Joint Venturer (the “Defaulter”) shall be indebted to any other Joint Venturer in respect of any amounts expended by such Joint Venturer to remedy an Event of Default by the Defaulter (including providing all or a portion of the Defaulter’s Share of any funds required pursuant to Section 3.2), any sums payable to QCC shall be paid to SUHM to repay any loan owing to SUHM, any sums payable to the Defaulter pursuant to this Section 4.1 shall be paid to the other Joint Venturer who expended amounts to remedy the Defaulter’s Event of Default first until the full amount of the indebtedness together with any accrued interest has been paid in full.

4.2 Definition of Cash Surplus

For the purposes of Section 4.1, Cash Surplus of the Joint Venture for any period shall mean all amounts received by the Joint Venture arising out of the Property or the operation of the Business or the sale or operations thereof (the “**Gross Receipts**”) for the period, including:

- (a) the leasing or sale of any property of the Joint Venture;
- (b) net proceeds of sales by the Business;
- (c) funds provided by the Joint Venturers pursuant to Section 3.2;

- (d) the amount, if any, of any insurance proceeds received by the Joint Venture over the amount thereof necessary to repair the damage compensated for, or payable to any third party mortgagee having a mortgage on the Property or any part thereof; and
- (e) the net proceeds, if any, received by the Joint Venture from any and all financings and refinancings, other than as set out in this Section 4.2, from partial or total expropriations (over the amount thereof necessary for restoration and less any amount thereof paid to any third party having security on such property or any part thereof) from sales of easements, rights-of-way or similar interests in respect of the Property or from dispositions of an interest therein:

less the aggregate of:

- (f) all expenses, charges and outlays, whether of a capital nature or otherwise, actually paid by the Joint Venture during such period, including any sums paid to third party lenders in respect of any loans or leases owing by the Joint Venture, salaries and commission costs of raw materials, utilities, real estate taxes and similar items; and
- (g) such portion of the Gross Receipts for the period as the Management Committee determines is reasonably necessary to provide a reserve for contingencies and for anticipated future costs and expenses for the Project and Operations, provided that for greater certainty, in calculating the Cash Surplus for any period, no deduction shall be made for capital cost allowance in respect of the Property and no reserve shall be provided for the same.

ARTICLE 5 MANAGEMENT

5.1 Establishment

The Joint Venturers hereby establish a Management Committee for the purpose of the Joint Venture, which shall be constituted and shall operate as hereinafter set out.

5.2 Power and Authority of Management Committee

Subject to Section 5.6, the Management Committee has the power and authority and the Joint Venturers hereby direct the Management Committee to give any approvals and to make any decisions and determinations required or permitted to be given or made by the Joint Venturers with respect to the Project, the Business, the Equipment, the Improvements, the Operations and any matter arising under or by virtue of this Agreement. For greater certainty, no act shall be taken, sum expended, decision made, or obligation incurred by the Joint Venturers with respect to a matter within the scope of any of the major decisions (the “**Major Decisions**”) as enumerated below, unless such Major Decisions have been approved by the Joint Venturers as provided herein. Major Decisions shall consist of the following:

- (a) acquiring any additional land or interest in land for inclusion in the Project;
- (b) the sale of the Project in its entirety;
- (c) the term of any financing to be registered against title to the Property and for the Business;
- (d) the awarding of any contract, the value of which is in excess of \$100,000;
- (e) approving any extras, the value of which is in excess of \$100,000;
- (f) final design of the Project;
- (g) specifications of Building;
- (h) specifications and contracts for the Equipment;
- (i) the decision as to whether or not to proceed to construct the Project;

- (j) any other decision that materially effects the Project or the Joint Venturer's interest;
- (k) the annual Budget and Schedule both as hereinafter defined.
- (l) the hiring and firing of the General Manager of the Business and the terms of his or her compensation and employment agreement.

5.3 Appointment of Representative and Alternative Representative

Each of QCC and SUHM shall appoint a representative (the "**Representative**") and any number of alternate representatives to serve on the Management Committee and shall notify the other Joint Venturer of the names and addresses of its Representative and alternate representatives. Initially the Management Committee shall consist of Aaron Rotenberg as a representative of SUHM and James Fletcher, or Laurel Fletcher as a representative of QCC.

Either Joint Venturer may at any time and from time to time change its Representative or alternate representative appointed by it by giving notice of such change to the other Joint Venturer and to the Representative or alternate representative so replaced

5.4 Reference to Representative Includes Alternate Representative

All references in this Article 5.00 to a Representative shall include and refer to the alternate representative in the event that the Representative is not present or is unable to act.

5.5 Representative to Represent and Bind

Neither the Representative appointed by SUHM or the representative of QCC has the power and authority to represent and bind the other Joint Venturer respectively.

5.6 Limitation

The Management Committee has no power or authority to give any of the approvals or make any of the decisions or determinations referred to in Articles 7 and 8.

5.7 Decision Binding

A decision of the Management Committee with respect to any matter, except as set out in Section 5.6, shall be binding on all the parties.

5.8 Chairman

The Management Committee shall choose a Representative from nominees of SUHM as Chairman. The Chairman shall have a second or casting vote at any meeting of the Management Committee.

5.9 Secretary

The Chairman shall appoint a secretary (who need not be a Representative) who shall keep complete and accurate minutes of all meetings of the Management Committee.

5.10 Minutes of Meeting

The minutes of each meeting of the Management Committee shall be sent by the secretary of the Management Committee to each Representative within 15 days after the meeting. Any failure by the secretary to send the minutes of a meeting to each Representative within 15 days after the meeting shall not affect the validity of any decisions made at the meeting.

The minutes of any meeting of the Management Committee shall, if purported to be signed by a Representative or alternative representative of each of SUHM and QCC on the Management Committee, be prima facie evidence of the facts therein stated

5.11 Advisors

A Representative shall be entitled to invite advisors to attend meetings of the Management Committee, subject to such restrictions on their attendance at and their participation in meetings as the Management Committee may impose.

5.12 Meetings Generally

The Management Committee shall hold meetings at such times as the Management Committee shall decide from time to time

5.13 Conference Telephone Meetings

Any Representative may participate in a meeting of the Management Committee by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and a Representative participating in a meeting in such manner shall be deemed to be present in person at the meeting.

5.14 Notice

The Chairman shall give any Representative and alternate representative written notice of the time and place of each meeting of the Management Committee which may be sent by email or fax or mailed or delivered.

5.15 Agendas

The notice of each meeting of the Management Committee shall be accompanied by an agenda and any relevant supporting materials sufficiently detailed to inform the Representative and alternate representative of the matters to be considered at the meeting. This Section may be waived by the verbal consent of all Representatives.

A Representative or alternate representative may require the addition of one or more matters to the agenda of a meeting by written notice thereof to the Chairman. Each notice shall be accompanied by any relevant supporting materials sufficiently detailed to inform the Representative and alternate representative of the matter or matters to be added to the agenda of the meeting. Such notice and materials shall be delivered in sufficient time to enable the Chairman to comply with his obligations under Section 5.14 and this Section.

5.16 No Vote on Matters Not in Agenda

Matters which are not referred to in the agenda of a meeting of the Management Committee shall not be voted on at that meeting unless the Representative consents.

5.17 Location of Meetings

Meetings of the Management Committee shall be held in Winnipeg, Manitoba and after the Business commences operating at the Property until the Business is operating or at such other place as may be agreed upon by the Management Committee from time to time, and may be held by unanimous agreement by conference call or video conference call or other means agreed upon.

5.18 Quorum

The quorum for a meeting of the Management Committee shall be one Representative from each Joint Venturer and the Chairman.

5.19 Vote Required Generally

Subject to Section 5.23, any decision of the Management Committee at any meeting thereof shall require the affirmative vote of the Representatives of both Joint Venturers or, the affirmative vote of one Joint Venturer and the Chairman.

5.20 Agreement without Voting

Any matter that is agreed or consented to in writing by the Representatives who are entitled to attend and vote at meetings of the Management Committee shall be binding on all the parties.

5.21 Decisions Generally

Any decision required to be made by the Management Committee shall be made in good faith and strictly upon the merits of the matter in respect of which a decision is required and shall not be unreasonably delayed.

5.22 No Disqualification

The fact that a Joint Venturer has entered into an agreement with the Joint Venture for the provision of materials or services for the Business and/or Operations with the approval of the Management Committee shall not constitute a conflict of interest which would limit its rights or actions under this Agreement unless specifically provided in such agreement or in this Agreement.

5.23 Disentitlement

Notwithstanding anything to the contrary herein contained, if an Event of Default or an Event of Insolvency has occurred and has not been cured with respect to a Joint Venturer (the "Defaulter"), the Joint Venturer and its Representative on the Management Committee, provided that such other Joint Venturer is not themselves a Defaulter, shall be solely empowered to make any and all decisions and to give any and all approvals from time to time required of the Joint Venturers in connection with the Project, the Business and/or the Operations, including any decision or approval with respect to Major Decisions, to the absolute exclusion of the Defaulter and its Representative on the Management Committee. Any decision or approval so made or given shall be fully binding on the Defaulter.

5.24 Indemnity

Each Joint Venturer hereby irrevocably and unconditionally undertakes and agrees to indemnify and save harmless each Representative and alternate representative from and against any and all liability, loss, harm, damage, cost or expense, including legal fees, which the Representative or alternate representative may suffer, incur or sustain as a result of any suit, claim or demand brought or commenced against the Representative or alternate representative and arising out of any action properly taken by the Management Committee. The liability of each Joint Venturer under or by virtue of this Section 5.24 shall be limited to its Share.

5.25 Management Agreement

- (i) The Manager is a party to this Agreement for the purpose of being bound to the terms of Section 5.25 with the other parties (the "**Management Agreement**"). The Manager shall enjoy the rights given to it under Section 5.25 and have the duties and responsibilities to be undertaken by it under Section 5.25. The parties of the First, Second and Third Parts of this Agreement hereby appoint the Manager as the manager of the Project with respect to the management of the Project and said parties and the Manager agree to the terms of this Section 5.25. The said parties shall be jointly and severally liable to the Manager for its fees and reimbursements and for all GST thereon to which it is entitled under the Management Agreement. Sections 1.2 to 1.7 inclusive, 1.9, 1.11, 1.12, 1.13, 12.1 and 13.1 shall apply to the Management Agreement mutatis mutandis.
- (ii) The Manager shall carry out all necessary services for and on behalf of the Joint Venture to arrange for, coordinate and expedite any remaining planning and design to be done, the obtaining of all necessary approvals and permits, financing, management, preparation of plan(s) for the Building to be constructed on the Property, administration of and the construction of the Building, the purchasing of the Equipment and required raw materials to carry on the Business, hiring staff to operate the Business, including a General Manager of the Business, and negotiating employment terms for said General Manager for approval by the Management Committee, in accordance with the Schedule and the Budget in a manner consistent with sound management principles and standards and for the purpose of the Business and the Project as determined by the Management Committee. The Joint

Venturers shall work together to obtain any required license from Health Canada to produce and sell the edibles and infusions.

- (iii) The Manager shall prepare each year, or supervise the preparation by the General Manager for approval by the Joint Venturers, in accordance with Section 5.2, a budget for the Business and Property (the “**Budget**”) and a Schedule every three (3) months commencing the date hereof until the Business is fully opened for Business and construction of the Project is complete, the Schedule showing the proposed timeline for completion of various stages of the Project.
- (iv) The Manager shall provide to the Joint Venturers the following reports:
 - (a) monthly construction loan draw reports, which will also provide the expenses paid to date;
 - (b) monthly income and expense reports;
 - (c) monthly sales reports in such details as may be reasonable required;
 - (d) annual pro forma budgets;
 - (e) monthly balance sheet;
 - (f) monthly General Ledger details;
 - (g) a monthly summary of sales contracts and the status of negotiations.

(v) **Duties Relating to Planning and Design**

The Manager shall supervise the completion of all matters relating to the planning and design of the Project and, in such regard, the Manager agrees to perform the following duties and functions that remain to be done:

- (a) select and negotiate the terms of the contracts for all professional consultants necessary or appropriate to be retained to advise in connection with the design and development of the Project, including the architect, structural engineer, mechanical engineer, electrical engineer, lawyers and quantity surveyor for the Project.
- (b) negotiate and settle the terms of the contract and/or arrangements for the landscape architect, acoustical engineer, surveyor, traffic consultant and all other development consultants.
- (c) co-ordinate and monitor the design team to ensure timely preparation of design concept drawings and drawings for governmental approvals;
- (d) co-ordinate and expedite the securing of all necessary permits, approvals and consents;
- (e) negotiate the terms of any servicing agreements, and other agreements required with governmental authorities or non-governmental authorities having jurisdiction with respect to the development of the Project;
- (f) prepare and refine on a periodic basis the Budget and the Schedule;
- (g) arrange for architects and engineers to prepare all necessary working drawings and construction specifications for the Project; and
- (h) arrange for the application for and obtaining of all building permits.

(vi) **Duties Relating to Construction**

The Manager shall supervise and administer the construction of the Project in accordance with the plans and specifications acceptable to the Management Committee, in furtherance of this objective. The Manager shall hire a general contractor (the "Contractor") and shall perform the following duties and functions:

- (a) negotiate and settle the terms agreements/arrangements with the Contractor. In this regard, any agreement/arrangement with a Contractor for a contract price in excess of \$100,000 shall require approval of the Management Committee;
- (b) subject to approval of the Management Committee negotiate and arrange with the Contractor the contract documents, final plans and specifications and all contracts for design and construction of the Project and for the supply of labour, services or materials in connection therewith;
- (c) negotiate and settle all change orders with the Contractor for changes to contracts for amounts less than \$100,000. A change order having a monetary value of greater than \$100,000 shall be made only after prior written notice to the Management Committee and approval of the Management Committee;
- (d) advise the Management Committee in respect of any contract disputes which may arise and act on behalf of the Joint Venture with respect thereto;
- (e) monitor completion of construction in accordance with the Schedule and advise the Management Committee with respect thereto;
- (f) arrange for the Contractor to enforce and correct all construction deficiencies ;
- (g) arrange for and supervise the demolition of existing buildings on the Property to the extent not already completed;
- (h) arrange for the completion of any remediation of the Property which may be required.

(vii) Duties Related to Financing

The Manager covenants and agrees with the Joint Venture that it shall perform the following duties and functions:

- (a) consult with and determine from the Joint Venture all equity and financing requirements in connection with the Project;
- (b) prepare all necessary reports, materials, preliminary budgets, pro forma statements, cost of the Project and Project summaries to be submitted to the Project lender(s) and quantity surveyor(s);
- (c) negotiate the terms of required construction loan commitment for approval by the Management Committee and all final loan documentation in connection therewith;
- (d) monitor and administer all applications for construction financing advances and coordinate the disbursement thereof to the Contractors; and
- (e) arrange payment on behalf of the Joint Venture, at the Joint Venture's expense, of all mortgage debt service, land carrying costs, interim financing costs and other such non-construction costs.

(viii) Administrative Duties

In connection with its duties under this Agreement, the Manager shall carry out all necessary or desirable administrative duties, including without limitation the following:

- (a) establish and implement Project cost control and accounting procedures, including all bookkeeping functions, checking invoices for payment and cash flow control in accordance with generally accepted accounting principles consistently applied;
 - (b) submit periodic written reports to SUHM and QCC on the status of the Project, expenditures against the Budget, progress against the Schedule and any amendments to the Budget or the Schedule.
 - (c) provide clerical and administrative services as are reasonably required to carry out its duties;
 - (d) on behalf of the Joint Venture, initiate all legal actions related to the Project or defence of legal actions against the Project and the adjustment, settlement or compromise of any claim, obligation, suit, construction lien or judgment against the Project;
 - (e) negotiate and obtain all policies of insurance as the Manager considers necessary or advisable to protect the Project and Joint Venture from liability, damage or loss resulting from the development and construction of the Project, including builder's risk insurance during construction and liability insurance if not already in place and insuring all risk upon completion as well as product liability insurance.
 - (f) determine, negotiate and settle all maintenance contracts and other contracts for the provision of services to the Project;
 - (g) to make arrangements so that the Business is properly staffed and open for business with necessary approvals including, kosher and halal certification and Health Canada approval.
- (ix) **Staff of Manager**
- (a) The Manager shall hire such head office support staff it deems necessary to carry out its functions under this Agreement.
 - (b) The Manager shall be paid a fee of \$300,000 plus GST annually in advance in equal monthly instalments commencing January 1, 2019, to be used by the Manager to pay for the General Manager and the head office overhead of the Manager, including without intending to limit the generality of the foregoing, the Manager's office staff, administrative staff, accounts payable clerks and similar staff. The Manager shall be entitled to have financial statements of the Joint Venture prepared by external accountants paid for out of the funds of the Joint Venture.
 - (c) The Budget for construction shall be prepared by the Manager for approval of the Management Committee after design drawings are completed and shall consist of:
 - (i) a pro forma Budget providing a cash flow forecast for the life of the construction of the Project; and
 - (ii) a cost projection for the development of the Project.
 - (d) Any amendments or refinements to the pro forma Budget, as well as the cost projections in excess of 2% shall be presented to the Management Committee within thirty (30) days following the conclusion of each month during each fiscal year. The Manager shall revise the Budget from time to time as approved by the Management Committee.
 - (e) The Manager shall be responsible to give prompt notice to the Management Committee whenever the Manager anticipates any cost overrun in excess of \$100,000.

(x) **Equipment**

The Manager, until such time as the General Manager is prepared to fulfill the function and is continuing to do so, shall recommend, identify source and arrange for installation of the Equipment required to operate the Business.

(xi) **Raw Materials**

The Manager, until such time as the General Manager is prepared to fulfill the function and is continuing to do so, shall determine raw material required and order same so that the Business may properly function.

Provided it is understood and agreed the SUHM shall determine and source at market rates of all CBD, THC, Cannabis by products or hemp by products required by the Business which may be supplied by a party related to or independent from SUHM.

(xii) **Staffing**

- (a) The Manager, until such time as the General Manager is prepared to fulfill the function and is continuing to do so, shall recommend, identify, hire and supervise the required staff to properly operate the Business.
- (b) QCC will provide the expertise their shareholders have developed over the last century in the confectionary industry to create an edibles business for SUHM and QCC, which will include; sourcing an appropriate facility, Equipment procurement and installation, certifications, confectionery formulations and staffing.
- (c) SUHM will provide the \$12,000,000 in capital provided for in Section 2.12 (ii) hereof, corporate covenants, cannabis inputs, cannabis R&D expertise and assistance in accessing the provincially/federally authorized distribution channels for the products produced by the Business.
- (a) QCC will provide control over production including quality and compliance with Schedules.
- (b) The facility will be constructed, outfitted, staffed and managed by QCC which represents it has access to existing confectionery experts of Cavalier Candies Ltd.
- (c) Salaries, to be approved by Management Committee, will be paid to key personnel approved by the Management Committee involved in setting up, consulting and advising the Joint Venture including product development, procurement, site preparation, engineering, accounting, management as well as sales and marketing.

(xiii) **Termination**

- (a) SUHM, provided they are not in default hereunder, may, at their election, declare Section 5.25 of this Agreement at an end if and whenever:
 - (i) the Manager materially defaults in the performance of any of its covenants, obligations or agreements herein contained and the following two conditions in (A) and (B) following occur:
 - (A) such default continues for a period of thirty (30) days after written notice from the Management Committee specifying the nature of such default has been given to the Manager without the Manager rectifying such default during such period; and
 - (B) if the Manager disputes the Management Committee's right to terminate this Agreement, arbitrators have confirmed such default pursuant to Section 13; or
 - (ii) the Manager makes an assignment for the benefit of its creditors or makes a proposal or takes the benefit of any legislation in force for bankrupt or insolvent debtors or has a receiving order made against it or has a receiver

appointed for all or substantially all of its business or assets or has any action taken with a view to the winding up or dissolution or liquidation of its corporate existence or if the Manager has misappropriated funds belonging to the Joint Venture.

- (b) For the period during which any such default shall continue, the Manager shall not be entitled to receive from the Joint Venture, and the Joint Venture shall not be required to pay to the Manager, any management fees payable to the Manager under this Agreement. The Manager shall be entitled to be paid fees earned by it prior to the date of default as set out in this Agreement.
- (c) The Manager shall at its election be entitled to declare Section 5.25 and the Management Agreement at an end in the event it does not receive any fee or part of any fee to which it is entitled hereunder within 30 days of the day it was entitled to receive it.
- (d) Either party shall be entitled to declare Section 5.25 and the Management Agreement at an end for any reason after July 31, 2028 or if the Business does not have Cash Surplus for two (2) consecutive years following January 1, 2020.

(xiv) Fees For Manager Fulfilling Its Duties

In consideration of the contribution of the Manager in fulfilling its duties hereunder, the Manager shall be compensated with the fee set out in Section 5.25 (ix) (b) and shall be further compensated with fees to be paid as follows:

- (a) \$3,000,000 plus GST of \$150,000 payable \$1,000,000 prior to April 12th, 2019 and \$2,000,000 on or before May 15th, 2019.
- (b) The Manager shall receive Nine Million (\$9,000,000) worth of Shares with clear title (the "Shares") of a publicly traded company (the "Pubco") which may or may not acquire the interest of SUHM hereunder:
 - (i) \$3,000,000 worth of Shares shall be transferred or issued upon completion of the land purchase or commencement of the lease term for the factory in which the Business will operate but no earlier than January 31, 2019;
 - (ii) \$1,500,000 worth of Shares when agreement(s) are signed for at least \$20,000,000 of product whether co-packing product or the Joint Venture's product at price/margins approved by the Joint Venture Management Committee;
 - (iii) \$1,500,000 worth of Shares when the application for the required License or Licenses to operate the Business is submitted to Health Canada;
 - (iv) \$1,500,000 worth of Shares when the License or Licenses required to operate the Business is issued by Health Canada;
 - (v) The balance of \$1,500,000 worth of Shares when \$1,000,000 of product is shipped by the Joint Venture;

All Shares will be subject to a hold of 4 months and 1 day and shall be priced based upon the 5 day VWAP for the Shares for the period prior to the date they should have been issued.

The Manager shall be paid GST of 5% on the notional value of shares issued each time and at the same time that it receives any of the Shares if GST is due on such share issuance. The Manager will not be restricted from selling shares granted as per the above schedule or from purchasing additional shares, subject to the 4 month and 1 day hold period.

- (c) The Manager shall be reimbursed by the Joint Venture for the out-of-pocket expenses of the Manager with respect to the Project.

The representative of SUHM on the Management Committee shall be paid an annual fee of \$100,000 plus HST payable in advance as to 1/12th per month commencing January 1, 2019.

(xv) **Pubco Liability**

If Pubco acquires the shares of SUHM, SUHM shall obtain an undertaking under seal from Pubco to the Manager that Pubco is jointly and severally liable with the parties to the Joint Venture to the Manager to make the payment and issue the shares required pursuant to Section 5.25(xiv) hereof. For purposes of certainty, it is herein stated any such undertaking from Pubco shall not relieve the parties to the Joint Venture from their obligations to the Manager under the Management Agreement.

5.26 Marketing Agreement

The Joint Venture will enter into a marketing agreement with Louis More or a corporation controlled by him in the form attached hereto as Schedule "A".

ARTICLE 6 OTHER FINANCIAL AND ACCOUNTING MATTERS

6.1 Accounting and Reporting

Financial statements for the Joint Venture shall be prepared in accordance with generally accepted accounting principles and furnished to each Joint Venturer on a timely basis as agreed by the Joint Venturers. Any additional information or statements, that each Joint Venturer may require for the preparation of their individual federal and provincial tax returns or otherwise shall be provided.

6.2 Books and Records

Proper and complete books, records, reports and accounts of the Joint Venture shall be kept at the offices of the Trustee, in Winnipeg, Manitoba on the Property (the "**principal office of the Joint Venture**") and shall be open and available for inspection and copying by any one of the Joint Venturers or its authorized representative at any reasonable time during normal business hours upon reasonable advance written notice. The said books and records shall fully and accurately reflect all transactions of the Joint Venture.

6.3 Accountants

The accountants of the Joint Venture shall be such firm of chartered accountants as shall be appointed by the Management Committee and initially shall be _____.

6.4 Bank Accounts

The bank of the Joint Venture shall be such bank or banks as the Management Committee may from time to time determine. All moneys from time to time received on account of the Joint Venture shall be paid immediately into the bank account of the Joint Venture in the same drafts, cheques, bills and cash in which they are received. All cheques, negotiable instruments and withdrawals from such bank accounts shall require the signature of an authorized representative of each of SUHM and QCC if in excess of \$50,000 provided that Manager can sign cheques alone if less than \$50,000 and when appointed, the General Manager can sign cheques of less than \$10,000.

The Joint Venture bank account shall be a clean, fresh account used only for the Joint Venture and each Joint Venturer shall receive a copy of the monthly bank statements within seven (7) days of receipt of same by the Manager or the General Manager as the case may be.

6.5 Execution of Documents

All documents, instruments or agreements having a legally binding effect on the Joint Venturers in respect of the Property, the Project or the Operations shall be signed on behalf of the Joint

Venturers by the Management Committee or by such Person or Persons as may be designated by the Management Committee from time to time.

6.6 Payment for Services

Except as set forth herein or hereafter approved or agreed to by the Joint Venturers, no payment shall be made to any Joint Venturer for its services or the services of its shareholders, directors or employees, family members or for reimbursement of any expenses incurred by such Joint Venturer in providing any services to the Joint Venture.

6.7 Operator

Until revoked in writing, for purposes of the *Excise Tax Act* (Canada) (the “ETA”) the Joint Venturers hereby agree to jointly elect the Manager as Operator pursuant to subsection 273(1) of the ETA, or any successor provision, in the prescribed manner, to have the Operator account for the goods and services tax/harmonized sales tax in respect of all joint venture activities attributed to the Joint Venture. Each of the Joint Venturers hereby certify to the Operator that it is carrying on a prescribed activity in relation to the Property for purposes of subsection 273(1) of the ETA.

ARTICLE 7 TRANSFER OF INTERESTS IN JOINT VENTURE

7.1 Prohibition Against Transfers and Encumbrances

Except as expressly provided in this Agreement, a Joint Venturer shall not, without the prior written consent of the other Joint Venturers:

- (a) sell, transfer, assign, convey or otherwise dispose of (“**Transfer**”) all or any portion of its Joint Venture Interest; or
- (b) save as set out herein and except for Permitted Encumbrances, create, assume, incur or consent to any lien, mortgage or charge upon all or any portion of its Joint Venture Interest or its rights and interests in or under this Agreement.

7.2 Permitted Transfers

Any Joint Venturer may at any time (provided that it is not then a Defaulter) transfer all, but not less than all, of its Joint Venture Interest to an Acceptable Associated Corporation.

7.3 Applicability of Remaining Sections to Transfers

The Transfers permitted pursuant to Sections 7.1 and 7.2 shall be subject to compliance with the remaining Sections of this Article 7.

7.4 Specific Limitation

Subject to Section 7.2, a Joint Venturer shall not transfer all or any portion of its Joint Venture Interest to any Person (the “**Transferee**”) if:

- (a) as a result of the transfer, the remaining Joint Venturer would become subject to any governmental controls or regulations affecting the Improvements by reason solely of the nationality or residence of the Transferee;
- (b) as a result of the transfer, the remaining Joint Venturer would become subject to any additional taxation by reason of the transfer;
- (c) the transfer would be prohibited by law or by any term of any mortgage, agreement or document entered into by the Joint Venturers or Trustee in respect of the Operations or Business, unless any approval required has been obtained and is in effect; or
- (d) the Transferee is not a corporation incorporated under the laws of Canada or one of the provinces thereof, unless otherwise approved by the other Joint Venturer.

7.5 New Joint Venturer

As a condition precedent to a Transferee acquiring the Joint Venture Interest of a Joint Venturer (the “**Transferor**”), the Transferee shall execute and deliver to the other Joint Venturers a new agreement as provided for in Section 2.5.

7.6 Continuing Liability of Transferring Joint Venturer

If a Transferor transfers its Joint Venture Interest to a Transferee, the Transferor shall continue to be liable for and shall not be released or discharged from the satisfaction and performance of all or any of its liabilities and obligations under or by virtue of this Agreement unless the other Joint Venturer expressly release and discharge the Transferor therefrom in writing.

7.7 Third Party Offers

- (a) As used herein, “Offer” shall mean a bona fide, arm’s length irrevocable offer to all Joint Venturers to purchase the whole of the Property and Business, or the whole of the remaining portion thereof if part has already been sold, from any Person (the “**Offeror**”) for cash (or for any readily ascertainable cash equivalent only and for no other consideration and not as part of or in connection with another transaction) with a date for closing the sale and paying the purchase price being a date which is not earlier than 90 days nor later than 120 days after the date of acceptance of the Offer.
- (b) If at any time or times any Joint Venturer shall receive an Offer, it shall forthwith give written notice of the receipt of such Offer (the “**Relevant Date**”) to the other Joint Venturer together with a true copy of the Offer. Immediately thereafter, each Joint Venturer shall give the other a copy of any valuations of the Property and Business, the Project or the Improvements which the other Joint Venturer has in its possession or under their control.
- (c) In the event that the other Joint Venturer wishes to accept the Offer and to sell the Property and Business or the whole of the remaining portion thereof to the Offeror in accordance with the terms of the Offer, such Joint Venturer shall deliver notice (the “**Notice Requiring Sale**”) thereof to the Management Committee on or before the 15th day following the Relevant Date.
- (d) If all Joint Venturers deliver Notices Requiring Sale within the said 15-day period, the Property shall be sold by the Joint Venturers to the Offeror in accordance with the terms of the Offer.
- (e) If the other Joint Venturer does not deliver a Notice Requiring Sale, the Offer shall be refused.
- (f) The Notice of Offer shall be accompanied by affidavits of the Vendor or of a senior officer of the Vendor if the Vendor is a body corporate and, of the Purchaser or of a senior officer of the Purchaser if the Purchaser is a body corporate, that the Purchaser and the Vendor are dealing at arm’s length, that there is no direct or indirect supplementary consideration payable by the Purchaser to the Vendor (whether or not in the nature of a tangible or intangible asset, money, property, securities or other benefit) and that the Vendor has accepted the Offer as to the subject Joint Venture Interest conditional only upon compliance with this Agreement and that, in the case of the Purchaser’s affidavit, the Offer is bona fide and, in the case of the Vendor’s affidavit, that, to the best of the knowledge of the affiant, the Offer is bona fide.

This Section 7.7 shall not apply to a takeover or amalgamation of Pubco.

ARTICLE 8 BUY-SELL PROVISIONS

8.1 Notice

On or after the later of July 31st, 2023 and the time when the Manager has received all of its fees set out in Section 5.25(xiv), any Joint Venturer (the “**Offeror**”) shall be entitled to give notice (the

“**Buy/Sell Notice**”) to the other Joint Venturer (the “**Offeree**”), which Buy/Sell Notice shall be signed by the Offeror and shall contain only the following:

- (a) the price for a 1% undivided interest in the assets of the Joint Venture, provided that the price shall not be less than 1% of the book value of the assets of the Joint Venture;
- (b) an offer to purchase all but not less than all of the Offeree’s Joint Venture Interest at a purchase price equal to the price in Section 8.1(a) multiplied by the Joint Venture Interest of the Offeree; and
- (c) an offer to sell all but not less than all of the Offeror’s Joint Venture Interest at a purchase price equal to the price in Section 8.1(a) multiplied by the Joint Venture Interest of the Offeror.

8.2 Acceptance

- (a) The Offeree shall be entitled to accept either of the Offers contained in the Buy/Sell Notice within 30 days of its receipt thereof.
- (b) If the Offeree accepts the offer referred to in Section 8.1(b), the Offeree (the “**Vendor**”) shall sell to the Offeror (the “**Purchaser**”) and the Purchaser shall purchase from the Vendor all but not less than all of the Vendor’s Joint Venture Interest at the price set forth in the Buy/Sell Notice.
- (c) If the Offeree accepts the offer referred to in Section 8.1(c), the Offeree (the “**Purchaser**”) shall purchase from the Offeror (the “**Vendor**”) and the Vendor shall sell to the Purchaser all but not less than all of the Vendor’s Joint Venture Interest at the price set forth in the Buy/Sell Notice.
- (d) If any Offeree does not accept either of the offers within the said 30-day period, such Offeree shall be deemed to have accepted the offer referred to in Section 8.1(c) on the last day of the said 30-day period and such Offeree (the “**Vendor**”) shall sell to the Offeror (the “**Purchaser**”) and the Purchaser shall purchase from the Vendor all but not less than all of the Vendor’s Joint Venture Interest at the price set forth in the Buy/Sell Notice.

8.3 Payment

Notwithstanding anything in the Buy/Sell Notice to the contrary, the aggregate purchase price for the Joint Venture Interest of the Vendor shall be paid by the Purchaser by the assumption of the Vendor’s Share of the Joint Venture’s liabilities at the Time of Closing (said assumption not to exceed the price) and the balance, if any, shall be paid in full at such time by certified cheque payable at par at the City of Winnipeg, Manitoba, provided that if any funds are owed to the Purchaser by the Vendor then the said amount and any interest thereon shall be paid to the Purchaser and deducted from the moneys owed to the Vendor. If QCC is the Vendor, then the Purchaser may on Closing terminate the Management Agreement.

8.4 Closing

The closing of the transaction of purchase and sale herein contemplated shall take place at the Time of Closing on the date (the “**Date of Closing**”) which is 45 days following the acceptance or deemed acceptance by the Offeree of one of the offers contained in the Buy/Sell Notice.

8.5 May Not be Invoked

Notwithstanding anything to the contrary contained herein, the provisions of Section 8.1 may not be invoked so long as proceedings to acquire the Joint Venture Interest of either Joint Venturer (or the Property) pursuant to Articles 7 or 9 are pending.

8.6 Failure to Complete Transaction by Purchaser

If, at the Time of Closing, the Purchaser fails to complete the transaction of purchase and sale, the Vendor shall have the right, for a period of thirty (30) days thereafter, without prejudice to any other rights which it may have, to purchase the Purchaser’s Joint Venture Interest for a purchase price equal to ninety (90%) percent of the purchase price otherwise payable to the Vendor for its Joint Venture Interest pursuant to the transaction contemplated herein. The terms and conditions of any such transaction shall be the same as those applicable to the sale by the Vendor of its Joint Venture Interest, mutatis mutandis, including the provisions of this Article 8.

ARTICLE 9 EVENTS OF DEFAULT AND INSOLVENCY

9.1 Rights of Non-Defaulter

If an Event of Default occurs in relation to a Joint Venturer (the “Defaulter”), the other Joint Venturer, provided that it is not a Defaulter (the “Non-Defaulter”), shall have the right, in addition to any other rights provided for herein:

- (a) to bring any proceedings in the nature of specific performance, injunction or other equitable remedy, it being acknowledged by each of the Joint Venturers that damages at law may be an inadequate remedy for the default or breach giving rise to the Event of Default;
- (b) to remedy the default giving rise to the Event of Default and bring any action at law or otherwise to be reimbursed by the Defaulter for any moneys expended to remedy such default, including any expenses incurred by the Non-Defaulter in connection therewith, together with interest thereon at the Interest Rate;
- (c) to bring any action at law that may be necessary or advisable in order to recover damages;
- (d) to take such steps or bring any proceedings that may be necessary or desirable to enforce any security interest granted by the Defaulter to the Non-Defaulter; and/or
- (e) to do such other acts and things as the Non-Defaulter may be authorized or entitled to do under this Agreement.

9.2 Money Expended to Remedy an Event of Default

If the Non-Defaulters expend money to remedy the Event of Default (including providing all or a portion of the Defaulter’s share of funds required pursuant to Section 3.2):

- (a) the amount paid by the Non-Defaulter shall bear interest from the date of payment to the date of actual repayment at the Interest Rate, such interest to be calculated and payable monthly with interest on overdue interest at the Interest Rate; for greater certainty, any judgment obtained by the Non-Defaulter in respect of any such amount shall similarly bear interest at the Interest Rate;
- (b) the amount paid by the Non-Defaulter and any interest thereon shall be a debt owing by the Defaulter to the Non-Defaulter and shall be secured by a lien on the interest in the Joint

Venture of the Defaulter, and by a mortgage on the interest of the Defaulter in the Property; and

- (c) the Non-Defaulter shall have the right to receive the Defaulter's share of any Cash Surplus in accordance with Section 4.1 or other sums payable to the Defaulter by or in respect of the Joint Venture.

9.3 Purchase of Defaulter's Joint Venture Interest

If an Event of Default described in Section 1.1(o) or an Event of Insolvency described in Section 1.1(p) occurs with respect to a Defaulter (the parties agreeing that any other Event of Default shall give rise to damages only) and continues to exist for a period of at least 30 days (unless otherwise stipulated) after such Event of Default or Event of Insolvency shall have occurred:

- (a) the other Joint Venturer (the "**Purchaser**"), in addition to any other rights that it may have pursuant to this Agreement or by law, provided that such Joint Venturer is not a Defaulter, shall have the right to give notice (the "**Applicable Notice**") to the Defaulter (the "**Vendor**") that they wish to purchase the Joint Venture Interest of the Defaulter (the "**Applicable Interest**");
- (b) if the Applicable Notice is given, then, on the date that the Applicable Notice is given (the "**Applicable Date**"), the Purchaser shall conclusively be deemed to have offered and the Vendor shall conclusively be deemed to have accepted such offer to purchase from the Vendor all but not less than all of the Applicable Interest, free and clear of all claims, mortgages, charges, pledges, liens or other encumbrances whatsoever, other than those Permitted Encumbrances referred to in Sections 1.1 (aa)(iv) and(v):
- (c) the price to be paid for the Applicable Interest of the Defaulter under the foregoing provision shall be a sum equal to the greater of:
 - (i) the Vendor's Share of the aggregate of:
 - (A) the principal balance of the mortgages registered by the Joint Venture pursuant to Section 1.1 (aa)(iv), plus accrued interest, against the Project; and
 - (B) all other liabilities of the Joint Venture; (collectively the "**Liabilities**"); or
 - (ii) the Vendor's Share of 85% of the market value of the assets of the Business and Improvements and the Property as determined by an Accredited Appraiser selected by the Purchaser (the "**Appraisal**").

Upon the determination of the purchase price of the Applicable Interest pursuant to this Section 9.3(c), the Non-Defaulter shall be entitled, at any time within 15 days thereafter, to decline to purchase the Applicable Interest, notwithstanding the Non-Defaulter's previous agreement or deemed agreement to purchase such Applicable Interest. The other rights and remedies of the Non-Defaulter shall not be limited, hindered, restricted or affected in any way by the exercise of the Non-Defaulter's rights hereunder.

9.4 Payment of Purchase Price

The purchase price for the Applicable Interest shall be paid and satisfied as follows:

- (a) in the event any funds are owed to the Purchaser by the Vendor then the said amount and any interest thereon shall be paid to the Purchaser and deducted from the moneys owing to the Vendor:
- (b) as to an amount equal to the Vendor's Share of the Joint Venture's Liabilities as at the Time of Closing by the assumption by the Purchaser of the Vendor's Share of such Liabilities; and

- (c) the balance, if any, shall be payable by way of cash or certified cheque at the Time of Closing;

9.5 Date of Closing

The date of closing of the transaction of purchase and sale herein contemplated (the “Date of Closing”) shall be the date being 30 days after the later of the date the option is exercised or thirty (30) days after the Appraisal(s) is/are obtained or such earlier or later date as the Vendor and the Purchaser may mutually agree upon.

9.6 Closing

The closing of the transaction of purchase and sale herein contemplated shall take place at the offices of the solicitor for the Vendor at the Time of Closing on the Date of Closing or at such other time and place as the parties may mutually agree upon.

9.7 Execution of Documents

The Vendor and Purchaser shall each execute and deliver and cause to be executed and delivered all such documents and do and perform and cause to be done and performed all such acts and things as may be necessary or desirable in order to give effect to the provisions of this Article.

9.8 Rights of a Non-Defaulter Separate

The rights of each Joint Venturer under this Article 9 and at law or in equity are separate and are not dependent on one another and each such right is complete in itself and not by reference to any other such right. Any of such rights or any combination of such rights may be exercised by a Joint Venturer from time to time and no such exercise shall exhaust such rights or preclude such Joint Venturer from exercising any other rights or any combination of such rights from time to time thereafter or simultaneously.

ARTICLE 10 GENERAL SALE PROVISIONS

10.1 Application

Except as may otherwise be provided in this Agreement, the provisions of this Article shall apply to any sale of a Joint Venture Interest pursuant to Articles 7, 8 and 9.

10.2 Closing Documents

At the Time of Closing, the Vendor shall:

- (a) deliver to the Joint Venture signed resignations by all of its nominees as officers and directors of the Trustee:
- (b) assign and transfer to the Purchaser the Joint Venture Interest being sold to it and deliver all necessary instruments and conveyances for the purpose of effecting the assignment of such Joint Venture Interest to the Purchaser and the conveyance of its shares of the Trustee, free and clear of all liens:
- (c) do all other things required in order to deliver good and marketable title to the Joint Venture Interest to the Purchaser, free and clear of any claims, liens, and encumbrances whatsoever, save and except for those Permitted Encumbrances referred to in Sections 1.1(aa)(iv) and (v). Provided that, if at the Time of Closing, the Joint Venture Interest is not free and clear of all other claims, liens and encumbrances whatsoever, the Purchaser may, without prejudice to any other rights which it may have, purchase the Joint Venture Interest subject to such claims, liens and encumbrances. In that event, the Purchaser shall, at the Time of Closing, assume all obligations and liabilities with respect to such claims, liens and encumbrances and the purchase price payable by the Purchaser for the Joint Venture Interest shall be satisfied, in whole or in part, as the case may be, by such assumption. The amount so assumed shall reduce that portion of the purchase price payable at the Time of

Closing and thereafter shall reduce payments on account of the said purchase price in the order of maturity;

- (d) deliver to the Purchaser a release by the Vendor of all its claims against the Purchaser and each of its directors and officers with respect to any matter or thing relating to the Joint Venture up to and including the Time of Closing but excluding any claims for payment of the balance, if any, of the purchase price for its Joint Venture Interest and the indemnity referred to in Section 10.5; and
- (e) deliver or cause to be delivered to the Purchaser, or as the Purchaser may direct, good and valid assignments of all interest of the Vendor in any agreements of any kind or nature whatsoever touching upon or related to the Project.

10.3 Release of Guarantee

If at the Time of Closing the Vendor or any Person for or on behalf of the Vendor shall have any guarantees, securities or covenants lodged with any Person to secure any indebtedness, liability or obligation of the Joint Venture and/or the Purchaser relating to the Improvements and/or Property, then the Purchaser shall deliver up or cause to be delivered up to the Vendor or cancel or cause to be cancelled such guarantees, securities and/or covenants at the Time of Closing.

10.4 Payment of Existing Indebtedness

Any indebtedness owing by the Vendor or the Purchaser to the other of them arising pursuant to this Agreement, but excluding the balance of the purchase price, if any, owing by the Purchaser to the Vendor for the Joint Venture Interest being purchased and sold which shall be paid in accordance with the provisions of Articles 7, 8 or 9, as the case may be, shall be settled and paid in full at the Time of Closing, provided that, if the Vendor defaults in payment of any such amounts owing to the Purchaser, the Purchaser shall have the right to deduct the same from any moneys payable to the Vendor at the Time of Closing; provided further that, if there shall be a balance owing to the Purchaser, the Purchaser shall be entitled to set off and deduct the same from the installments of principal and interest, if any, thereafter payable to the Vendor in the order of their maturity.

10.5 Indemnity from Purchaser

At the Time of Closing, the Purchaser shall indemnify the Vendor from any and all claims and causes of action arising thereafter relating to the Vendor's Joint Venture Interest save and except for any claims arising out of any breach by the Vendor of the terms of this Agreement.

10.6 Failure to Complete Transaction by Vendor

If at the Time of Closing, the Vendor fails to complete the transaction of purchase and sale, the Purchaser shall have the right, without prejudice to any other rights which it may have, upon payment of that part of the purchase price payable to the Vendor at the Time of Closing, to the credit of the Vendor at the Joint Venture's bank to execute and deliver, on behalf of and in the name of the Vendor all documents specified in Section 10.2 or in any other documents that may be necessary to complete the subject transaction, and the Vendor hereby irrevocably appoints the Purchaser its attorney in that behalf. This power of attorney is coupled with an interest and is irrevocable.

10.7 Adjustments

Where applicable, each of the following shall be apportioned and allowed up to the Date of Closing: any mortgage created under Section 1.1(aa)(iv), mortgage interest, realty taxes, assessment rates, rents (including percentage rents, prepaid rents and security deposits), licence fees, water rates, hydro rates, administration fees paid by tenants of the Improvements, the cost of fuel and similar items, amounts prepaid by the Joint Venture with respect to any contracts being assumed by the Purchaser hereunder, unearned fire insurance premiums and other customary allowances. There shall be no adjustment for unpaid rents as at the Date of Closing.

10.8 Power of Attorney

In addition to the rights and powers contained in Section 10.6, the Vendor hereby irrevocably constitutes and appoints the Purchaser as its true and lawful attorney-in-fact and agent for the Vendor to execute and deliver in the name of the Vendor all documents and instruments as may be necessary to give effect to the provisions of Articles 7.00, 8.00 and 9.00. Such appointment and power of attorney, being coupled with an interest, shall not be revoked by the dissolution, winding-up, bankruptcy or insolvency of the Vendor and the Vendor hereby ratifies and confirms and agrees to ratify and confirm all that the Purchaser may lawfully do or cause to be done by virtue of the provisions hereof. The Vendor hereby irrevocably consents to the transfer of its Joint Venture Interest pursuant to the provisions of this Section. Notwithstanding the foregoing, the power of attorney contained herein shall be used only if the Vendor fails to execute and deliver any documents hereunder within 5 days after receiving a written request from the Purchaser.

ARTICLE 11 TRUSTEES

11.1 The Purpose

For the purpose of expediting and facilitating the conduct of the affairs of the Joint Venturers, the Joint Venturers hereto agree that the Trustee shall be and act as nominee of and as trustees for and on behalf of the Joint Venturers. The Trustee agrees that it will perform such activities and enter into such agreements in connection with the Property and the Project as the Management Committee may request from time to time.

11.2 Restricted Activity

The Trustee shall not carry on, nor be permitted to carry on, any business of any nature or kind whatsoever in their own right and shall be restricted in all of its activities to the performance of its function as nominee and trustee as herein set forth. Notwithstanding that the Property and the Project may be registered in the name of the Trustee, the true and beneficial ownership thereof shall for all purposes be vested in the Joint Venturers in accordance with the provisions contained in this Agreement.

11.3 Acknowledgement of Trust

The Trustee hereby acknowledge to the Joint Venturers that it holds and stands possessed of or will hold and will stand possessed of the Business, Property together with Improvements thereon, and the Project as Trustee for and on behalf of the Joint Venturers in accordance with their Shares and with the provisions of this Agreement and that the Trustee has no beneficial right, title or interest in or to the Property and the Project. The Trustee accepts the trusts as herein set out and agrees to be bound by them and each hereby constitutes itself as Trustee for the Joint Venturers in accordance with the said trusts.

11.4 Organization of Trustee

The Trustee shall at the time of execution of this Agreement be organized as follows:

- (a) 1,000 common shares for a subscription price of \$0.01 each shall have been issued as follows:

SUHM: 800 common shares

QCC: 200 common shares

No shares in the capital of the Trustee, other than the aforesaid common shares, shall have been allotted and issued and no person shall have any option or right to acquire any shares in the capital of the Trustee. At this point of time, the Board of Directors shall consist of Aaron Rotenberg as the representative of SUHM and the Officers of the Trustee shall initially consist of James Fletcher as President, Aaron Rotenberg as Secretary and Laurel Fletcher as Vice-President:

- (i) the Board of Directors of the Trustee shall be reconstituted to consist of 2 directors, being a representative of SUHM and a representative of QCC.
- (ii) all cheques, notes, bills, drafts, instruments and other banking documents required to be executed by the Trustee shall from time to time be executed on its behalf by Manager, if in an amount of less than \$50,000 and by a representative of each Joint Venturer if in excess of \$50,000, and when appointed, the General Manager can sign cheques less than \$10,000. A list of all cheques issued shall be sent to the Joint Venturers on a monthly basis.
- (iii) all share certificates issued or to be issued by the Trustee shall be endorsed with a memorandum as follows:

“Shares represented by this certificate are issued, subject to the terms of a Joint Venture Agreement made as of October 12th, 2018.”;
- (iv) the Joint Venturers agree with each other that as shareholders of the Trustee they will use their influence, vote their shares and irrevocably instruct their nominees or representatives at all meetings of shareholders of the Trustee and their nominees or representatives on the board of directors of the Trustee to vote and act in accordance with the terms of this Agreement so as to give this Agreement full force and effect to carry out its intent.

ARTICLE 12 GENERAL CONTRACT PROVISIONS

12.1 Notices

All notices, requests, demands or other communications by the terms hereof required or permitted to be given by one party to another shall be given in writing by personal delivery during normal business hours on normal Business Days or by email or facsimile delivered to such other parties as follows;

- (a) to SUHM: 5000 Yonge Street, 10th Floor
Toronto, Ontario. M2N 7E9
Facsimile: (416) 218-1833
- (b) to QCC: Unit 10 – 1580 Taylor Avenue
Winnipeg, Manitoba, R3N 2A7
Facsimile: (204)-947-2044
- (c) to the Trustee: Unit 10 – 1580 Taylor Avenue
Winnipeg, Manitoba, R3N 2A7
Facsimile: (204)-947-2044
- (d) to the Manager: Unit 10 – 1580 Taylor Avenue
Winnipeg, Manitoba, R3N 2A7
Facsimile: (204)-947-2044

or at such other address as may be given by any of them to the others in writing from time to time and such notices, requests, demands, acceptances and other communication shall be deemed to have been received when delivered.

12.2 Interest on Overdue Amount

Unless otherwise expressly provided for herein, if any party should fail to pay any amount to any other party when such amount is due, interest shall accrue on such unpaid amount from the date for payment to the date of actual payment at the Interest Rate, such interest to be calculated and payable monthly with interest on overdue interest at the Interest Rate.

Further Assurances

Each of the parties shall from time to time and at all times, do such further acts and deliver all such further assurances, deeds and documents as shall be reasonably required in order to fully perform and carry out the terms of this Agreement.

ARTICLE 13 ARBITRATION

13.1 Arbitration

If any dispute shall occur between the parties hereto relating to the interpretation of this Agreement or the implementation of any Section of this Agreement, such dispute shall be resolved by arbitration. Such arbitration shall be conducted by a single arbitrator to be appointed by agreement of the parties, if the parties can agree upon one, failing which such arbitrator shall be appointed by a Judge of the Court of Queen’s Bench of the Province of Manitoba, upon the application of any of the said parties and a Judge of the Court of Queen’s Bench of Manitoba shall be entitled to act as such arbitrator, if he or she so desires. The arbitration shall proceed in accordance with the provisions of *The Arbitrations Act* (Manitoba). The decision arrived at by the arbitrator, howsoever constituted, shall be final and binding and no appeal shall lie therefrom.

IN WITNESS WHEREOF the parties hereto have hereunto caused to be affixed their corporate seals duly attested to by the hands of their respective proper signing officers authorized in that behalf the day and year first above written.

SUHM INVESTMENTS INC.


Per: _____

Name: Barry Rotenberg

Title: ASO

I have authority to bind the Corporation.

QUALITY CONFECTIONS CANADA LTD.

Per:  _____

Name: Laurel Fletcher

Title: A.S.O.

I have authority to bind the Corporation

THE EDIBLES AND INFUSIONS CORPORATION

Per: _____

Name: Barry Rotenberg

Title: ASO

I have authority to bind the Corporation

10026310 MANITOBA LTD.

Per:  _____

Name: James Fletcher

Title: A.S.O.

I have authority to bind the Corporation

Each of the parties shall from time to time and at all times, do such further acts and deliver all such further assurances, deeds and documents as shall be reasonably required in order to fully perform and carry out the terms of this Agreement.

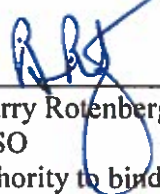
ARTICLE 13 ARBITRATION

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If any dispute shall occur between the parties hereto relating to the interpretation of this Agreement or the implementation of any Section of this Agreement, such dispute shall be resolved by arbitration. Such arbitration shall be conducted by a single arbitrator to be appointed by agreement of the parties, if the parties can agree upon one, failing which such arbitrator shall be appointed by a Judge of the Court of Queen's Bench of the Province of Manitoba, upon the application of any of the said parties and a Judge of the Court of Queen's Bench of Manitoba shall be entitled to act as such arbitrator, if he or she so desires. The arbitration shall proceed in accordance with the provisions of *The Arbitrations Act* (Manitoba). The decision arrived at by the arbitrator, howsoever constituted, shall be final and binding and no appeal shall lie therefrom.

IN WITNESS WHEREOF the parties hereto have hereunto caused to be affixed their corporate seals duly attested to by the hands of their respective proper signing officers authorized in that behalf the day and year first above written.

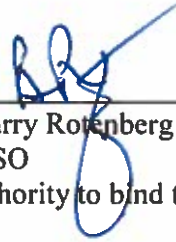
SUHM INVESTMENTS INC.

Per: 
 Name: Barry Rotenberg
 Title: ASO
 I have authority to bind the Corporation.


QUALITY CONFECTIONS CANADA LTD.

Per: 
 Name: Laurel Fletcher
 Title: A.S.O.
 I have authority to bind the Corporation

THE EDIBLES AND INFUSIONS CORPORATION

Per: 
 Name: Barry Rotenberg
 Title: ASO
 I have authority to bind the Corporation

10026310 MANITOBA LTD.

Per: 
 Name: James Fletcher
 Title: A.S.O.
 I have authority to bind the Corporation

SCHEDULE "A"

Sales and Marketing Agreement

THIS AGREEMENT made as of the 16th day of October 2018.

AMONG:

SUHM INVESTMENTS INC.

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

AND:

QUALITY CONFECTIONS CANADA LTD.

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

AND:

MORE Corp.

(hereinafter referred to as the “**MC**”)

Whereas SII and QCC (the “Owners”) have entered into a joint venture operating as The Edibles and Infusions Corporation, a company for the purposes of manufacturing and selling cannabis based edibles and infusions (“The Edibles and Infusions Corporation”);

AND Whereas the Owners wishes to enter into an agreement with MC to provide sales and marketing services to The Edibles and Infusions Corporation (the “Sales Contract”)

And Whereas MC will lead the sales and marketing activities of The Edibles and Infusions Corporation business for the manufacturing and sale of edibles and infusions containing Cannabis and/or THC and/or CBD;

The parties hereto agree as follows:

Section 1. MC shall be the exclusive sales agent for the Owners and The Edibles and Infusions Corporation upon execution of this Agreement and neither MC, any of its officers, nor Louis More shall sell edibles and/or infusions containing THC or CBD for any third party during the term of this agreement and for a period of one (1) year after termination without the prior written consent of SII and QCC.

Section 2. MC shall be reimbursed by The Edibles and Infusions Corporation or the Owners for its out-of-pocket expenses with respect to fulfilling its duties if preapproved. The fee payable by the Owners, or at their direction, The Edibles and Infusions Corporation, for performing this marketing and sales function payable to MC shall be two (2%) percent of the wholesale value of sales or license fees received by The Edibles and Infusions Corporation from sales or licensing fees (net of taxes) arranged by MC, excluding returns and increasing to four (4%) percent from two (2%) percent for annual sales in excess of \$20,000,000 (the "Sales Commission") payable within 30 days of MC of the product sales arranged by MC being shipped. Where applicable, GST/HST shall be paid to MC in connection with all fees, retainers and commissions payable under this Agreement.

MC shall be guaranteed an annual Sales Commission of \$175,000 plus GST/HST to be paid by way of a monthly non-refundable draw (but credited against future Sales Commission to be earned by it) equal to \$14,583.33 plus HST/GST with the first draw being payable February 1, 2019 for the month of February, 2019.

The commissions versus the draws to date shall be adjusted and reconciled every six (6) months.

Any fee paid to third party broker(s), shall, if pre-approved by the Owners or The Edibles and Infusions Corporation, be in addition to the Sales Commission.

Section 3. MC shall be responsible for attending to the following:

- (1) Directly leading the marketing and sales effort including the creation of the marketing program to be submitted to The Edibles and Infusions Corporation for approval, including budgets with respect to advertising costs, brochures and similar items;
- (2) Retaining outside third party broker(s) and initiating direct sales to retail customers with respect to the sale of the products of The Edibles and Infusions Corporation;
- (3) Provide reports to The Edibles and Infusions Corporation from time to time with respect to sales and pending sales of the edibles and infusions;
- (4) Co-ordinate the pricing of the edibles and infusions with the Owners and The Edibles and Infusions Corporation;
- (5) Attend and host trade shows reasonably required by The Edibles and Infusions Corporation, at The Edibles and Infusions Corporation expense.

Section 4. In the event that this Sales and Marketing Agreement (the “SMA”) is terminated or The Edibles and Infusions Corporation is sold:

- (1) within 3 years of the date hereof for any reason, the Owners, or at their direction The Edibles and Infusions Corporation shall pay MC the sum of \$3,000,000 as a termination fee.
- (2) within the period commencing on the third anniversary of the execution of this Agreement and before the tenth anniversary hereof, for any reason, the Owners or at their direction The Edibles and Infusions Corporation shall pay to MC a termination fee equal to the greater of \$3,000,000 or the sum equal to 5 times the Sale Commission that was earned by MC in the 12 month period immediately preceding the termination of the SMA or sale of The Edibles and Infusions Corporation.
- (3) after the commencement of the tenth year of the term of the SMA, the Owners, or at their direction, The Edibles and Infusions Corporation shall pay to MC a termination fee equal to 3 times the commission that was earned by MC in the 12 month period immediately preceding the termination of the SMA or sale of The Edibles and Infusions Corporation.
- (4) The termination fees listed above shall be payable within 30 days of such termination or sale having occurred. All applicable GST/HST in connection with such termination fee shall be payable to MC.
- (5) In the event MC is terminated for cause other than fraud, the termination fee payable to MC shall be 50% of the amount payable if termination was without cause. The grounds for termination for cause other than fraud shall be limited to gross negligence. In the event, MC is terminated for cause arising out of proven fraud, the termination fee payable to MC shall be nil. Termination for cause will be determined by unanimous agreement of the Owners. In the event, MC disputes the Owners unanimous decision that there was any cause for termination, the matter will be resolved by an independent arbitrator agreed to by all parties to this Agreement.

Upon the death or disability of Louis More, the President of MC, if MC cannot perform its obligations under the SMA for a period in excess of twelve (12) consecutive months, the SMA may be terminated without any payment as set out in the applicable (1), (2) or (3) above save for a termination fee of \$2,000,000 in lieu of payments under section 4(1), (2) and (3). MC must resume its responsibilities for a period of at least one (1) month to stop the twelve (12) month disability period. Louis More shall continue to be employed by MC, be performing his duties hereunder and not be disabled as a condition to this Agreement continuing.

This Agreement may be terminated by MC after 3 years from it being executed upon providing the Owners with 60 days prior written notice. MC shall be

continued to be paid any commissions owing for orders that have been submitted prior to effective date of termination thirty (30) days after such orders are shipped by The Edibles and Infusions Corporation plus a \$2,000,000 termination fee, in lieu of payments under section 4(1), (2) and (3).

Any termination fees to MC shall be net of monthly draws that were paid in advance to MC after February 1, 2020.

- Section 5. Any obligations of the Owners under this Agreement shall be in proportion to their respective investment in The Edibles and Infusions Corporation and not on a joint and several basis.
- Section 6. Confidentiality. Each of Louis More, MC and its officers agree to keep in strict confidence all recipes, manufacturing and/or purchasing procedures, pricing and/or ingredients of any of the products of The Edibles and Infusions Corporation both during the term of this SMA and for a period of five (5) years after same is terminated.
- Section 7. This Agreement is governed by the laws of Ontario.
- Section 8. Any part or provision of this Agreement that is prohibited or which is held to be void or unenforceable shall be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof. To the extent permitted by applicable law, the parties hereto waive any provision of law that prohibits or renders void or unenforceable any provision hereof.
- Section 9. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns. Except as expressly consented by both parties, this Agreement may not be assigned to any third party.
- Section 10. This Agreement supersedes all prior agreements and understandings relating to the subject matter hereof.
- Section 11. This Agreement may be executed in counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument. This Agreement may be executed and delivered by electronic transmission, all with the same force and effect as if the same was a fully executed and delivered original manual counterpart. Delivery of an executed signature page of this Agreement by electronic transmission shall be as effective as delivery of a manually executed counterpart hereof.
- Section 12. Any notice to the Owners may be made to the following:

SUHM INVESTMENTS INC.

5000 Yonge Street, 10th Floor

Toronto, Ontario M2N 7E9

**Attention: Aaron Rotenberg
A.S.O.**

aaronrotenberg@gmail.com

and

Quality Confections Canada LTD.

**185 Bannatyne Avenue
Winnipeg, Manitoba R3B 0R4**

**Attention: Laurel Fletcher
A.S.O.**

Laurel_a_s@hotmail.com

Any notice to MC may be made to the following:

**MORE Corp.
110 Bloor Street West, Unit 2004
Toronto, Ontario, M5S 2W7**

Attention: Louis More, CEO

lmore@themorecorp.com

SUHM INVESTMENTS INC.

Name: Aaron Rotenberg
Title: Authorized Signing Officer

Quality Confections Canada LTD.

Laurel Fletcher

Name: Laurel Fletcher
Title: Authorized Signing Officer

MORE Corp.

Louis More

Name: Louis More
Title: CEO

Yoela Harris

Witness

Louis More

Louis More

AGREEMENT OF LEASE

BETWEEN

10026308 MANITOBA LTD.

AND

THE EDIBLES AND INFUSIONS CORPORATION

AND

SUHM INVESTMENTS INC. AND QUALITY CONFECTIONS CANADA

FOR PREMISES LOCATED AT

160 Eagle Drive

Winnipeg, Manitoba R2R 1V5

AGREEMENT OF LEASE

BASIC TERMS

1. **LANDLORD:** 10026308 MANITOBA LTD.
c/o Cavalier Candies Ltd.
185 Bannatyne Avenue East
Winnipeg, Manitoba
R3B 0R4
2. **TENANT:** THE EDIBLES AND INFUSIONS CORPORATION
3. **LEASED PREMISES:** The Building and Lands known as 160 Eagle Drive, Winnipeg, Manitoba as more fully described in Section 1.14.
4. **CONDITION OF LEASED PREMISES:** The Tenant shall accept the Leased Premises “as is, where is” in their state and condition existing at the Commencement Date.
5. **TERM:** Ten (10) years beginning on June 1, 2019 (the “**Commencement Date**”) and ending on May 31, 2029 unless sooner terminated in the manner set forth in the Lease.
6. **BASE RENT:** During the Term the Base Rent shall be paid monthly in advance by the Tenant on the Commencement Date and thereafter on the first day of each month and computed at the rate of:
 - (a) For years 1-5 inclusive of the Term, being the period from June 1, 2019, to and including May 31, 2024, the annual Base Rent shall be, Three Hundred and Nine Thousand Five Hundred and Ten (\$309,510) Dollars (plus GST) per annum (\$25,792.50 per month plus GST) (\$6.00 per square foot).
 - (b) For years 6-10 inclusive of the Term, being the period from June 1, 2024 to and including May 31, 2029, the annual Base Rent shall be increased to Three Hundred and Forty Thousand Four Hundred and Sixty-One (\$340,461) Dollars (plus GST) per annum (\$28,371.75 per month plus GST) (\$6.60 per square foot).
7. **OPTION TO RENEW:** Provided that the Tenant is not in default hereunder, the Tenant shall have options to renew this Lease for two additional terms of five (5) years each (the “**Renewal Option**”), upon the same terms and conditions as the initial Term, but at a rate for Base Rent as follows:

(a) For years 11-15 inclusive of the renewal term (the “**First Renewal Term**”), being the period from June 1, 2029, to and including May 31, 2034, the annual Base Rent shall be, Three Hundred and Seventy-Four Thousand Five Hundred and Seven Dollars and Ten Cents (\$374,507.10) (plus GST) per annum (\$31,208.93 per month plus GST) (\$7.26 per square foot).

(b) For years 16-20 inclusive of the renewal term (the “**Second Renewal Term**”), being the period from June 1, 2034 to and including May 31, 2039, the annual Base Rent shall be increased to Four Hundred and Twelve Thousand One Hundred and Sixty-Four Dollars and Fifteen Cents (\$412,164.15) Dollars (plus GST) per annum (\$34,347.01 per month plus GST) (\$7.99 per square foot).

Should the Tenant wish to exercise either of the two (2) Renewal Options, it shall notify the Landlord in writing of such intention to exercise the Renewal Option no less than six (6) months prior to the expiry of the then current term of the Lease, failing which the Renewal Option shall be null and void and of no further effect whatsoever.

8. **DEPOSIT:**

Nil

9. **USE:**

For the purpose of production and/or sale of candies/chocolates and other edibles and infusions containing CBD and THC (and any by-product of the cannabis plant, including Cannabis Genus, Cannabis Sativa, Cannabis Indica and Cannabis Ruderalis) which the Tenant is licensed to produce and/or sell pursuant to the terms of its license or business issued by Health Canada or otherwise, including extracting, packaging and distribution of such products. For greater certainty, the Term of the Lease shall commence on June 1, 2019, and the Tenant shall be obligated to pay Rent from and after that date, regardless of whether a license has been issued by Health Canada for such production and/or sale.

10. INSURANCE AMOUNTS:	(a) General liability:	\$5,000,000.00
	(b) Tenants’ legal liability:	\$5,000,000.00
	(c) All Risk:	\$3,000,000.00

11. **PARKING:**

The Tenant and its invitees shall have the right to use all of the parking facilities on the Lands.

12. **OPTION TO PURCHASE:**

At any time before June 1, 2022 The Tenant shall have the option (the “**Purchase Option**”) to purchase the Leased Premises (the “**Purchase Option Period**”) by delivering written notice to the Landlord (the “**Exercise Notice**”) that it wishes to acquire the Leased Premises from the Landlord for the sum of **Four Million (\$4,000,000) Dollars** (the “**Option Purchase Price**”).

Should the Tenant wish to exercise the Purchase Option, it shall deliver to the Landlord the Exercise Notice together with a deposit in the amount of **One Hundred Thousand (\$100,000) Dollars** payable to the Landlord’s solicitor in trust, failing which the Purchase Option shall be null and void and of no further effect whatsoever.

If the Purchase Option is not exercised or the Purchase Option is exercised but the sale does not take place through the default of the Tenant, the Purchase Option shall fall away and be null and void. In the event the Purchase Option is exercised but the sale does not take place through the default of the Tenant, the foregoing shall be without prejudice to the rights and remedies available to the Landlord under the agreement of purchase and sale arising from the exercise of the option.

The terms of the agreement of purchase and sale arising from the exercise of the option are set out in Section 10.21 hereof.

13. **TENANT’S RIGHTS TO TERMINATE:**

In the event that the Tenant does not receive any license it requires to carry on its business on or before December 31st, 2020, the Tenant shall have the right, on three (3) month’s prior written notice, to terminate this Lease.

The Tenant shall also have the right to terminate the Lease after the end of the first five (5) years of the Term upon delivering the Landlord written notice that it intends to do so on or before January 1st, 2024.

14. **INDEMNIFIERS**

SUHM INVESTMENTS INC. AND QUALITY CONFECTIONS
CANADA

THIS LEASE is effectively as of the 1st day of June, 2019, and is made between

10026308 MANITOBA LTD.

(the “**Landlord**”)

and

THE EDIBLES AND INFUSIONS CORPORATION

(the “**Tenant**”)

and

SUHM INVESTMENTS INC. and QUALITY CONFECTIONS CANADA

(collectively, the “**Indemnifiers**”)

ARTICLE 1 DEFINITIONS

- 1.1 “**Additional Rent**”: means the aggregate of (i) Realty Taxes, (ii) Operating Costs, (iii) Utilities Charges, (iv) the Tenant’s Additional Costs, and (v) any other money payable by the Tenant under this Lease other than Base Rent.
- 1.2 “**Alterations**”: means any repairs, alterations, replacements, decorations, or improvements to the Leased Premises.
- 1.3 “**Base Rent**”: means the amount described in Paragraph 6 of the Basic Terms.
- 1.4 “**Building**”: means building located at 160 Eagle Street, Winnipeg, Manitoba, as expanded, reduced or altered from time to time, situated on the Lands.
- 1.5 “**Basic Terms**”: means the terms stipulated on pages A-1, A-2, A-3 and A-4 of the present Lease.
- 1.6 “**Commencement Date**”: means the date referred to in Paragraph 5 of the Basic Terms.
- 1.7 “**Deposit**”: means Nil.
- 1.8 “**Event of Default**”: means whenever:
- (a) any Rent is not paid when due and the non-payment continues;
 - (b) any of the Tenant’s obligations under this Lease is breached (other than a breach specified in paragraph a or c), and:

- (i) the breach is not remedied within ten (10) days after written notice from the Landlord to the Tenant specifying particulars of the breach, or
 - (ii) if ten (10) days is not a reasonable time to remedy the breach, the Tenant has not commenced diligently to remedy the breach within ten (10) days after the written notice or is not proceeding diligently to remedy the breach within a reasonable time; or
- (c) any of the following events occurs:
- (i) the Tenant or a Person carrying on business in any part of the Leased Premises becomes bankrupt or insolvent or avails itself of the benefit of any statute respecting insolvency or bankruptcy or makes any proposal, assignment or arrangement with its creditors;
 - (ii) a receiver or manager is appointed for all or any part of the property of the Tenant or of another Person carrying on business in the Leased Premises or any of the Tenant's assets are taken or seized under a writ of execution, assignment, charge or other security instrument;
 - (iii) steps are taken for the dissolution, winding up or other termination of the Tenant's existence or for the liquidation of their respective assets;
 - (iv) subject to Section 4.7(b), the Tenant abandons or attempts to abandon the Leased Premises; or
 - (v) the Tenant effects or attempts a Transfer that is not permitted under this Lease.

1.9 "Force Majeure": means a strike, labour trouble, inability to get materials or services, power failure, restrictive governmental laws or regulations, riots, insurrection, sabotage, rebellion, war, act of God or any other similar reason, that is not the fault of the party asserting it. Force Majeure does not include inability to obtain funds.

1.10 "GST": means the harmonized sales tax or Goods and Services Tax as charged in the Province of Manitoba, and any other similar tax which may be implemented during the Term, imposed by any fiscal authority and that the Landlord must collect or may be called upon to collect from the Tenant relating to the Lease, or any other amount due to the Landlord or for the benefit of the Landlord under the Lease or relating to any goods, services or supplies which the Landlord may furnish to the Tenant under the terms of the Lease or otherwise.

1.11 "HVAC System": means the heating, ventilating and air-conditioning facilities, if any, serving the Building.

1.12 "Hazardous Substance" means any substance or material whose Release, transport, use, storage, or handling is regulated or prohibited by any Governmental Authority under any Environmental Laws, including, without limiting the generality of the foregoing, any contaminant, pollutant, deleterious substance, inflammable liquid, chemical, explosive material or material which may impair life or health, any petroleum or other hydrocarbon and any derivative or by-product thereof: any dangerous substance or goods, asbestos, any gaseous, solid or liquid waste, any

special waste, toxic or hazardous substance or chemical, any hazardous waste, material or substance, either in fact or as defined in or pursuant to any Environmental Laws;

The products produced by the Tenant (medical marijuana and any by-product thereof) which the Tenant is licensed to produce pursuant to the terms of its license or licenses issued by Health Canada shall not be considered to be a "Hazardous Substance" for the purpose of this Lease.

- 1.13 "Lands":** means the lands legally described in Schedule "B".
- 1.14 "Leased Premises":** means the Lands and Building which are described and identified in Paragraph 3 of the Basic Terms attached to this Lease.
- 1.15 "Lease Year":** means a period of twelve (12) consecutive calendar months commencing on the first day of January and ending on the last day of December. The first Lease Year will commence on the Commencement Date and last Lease Year will expire on the last day of the Term or any extension thereof.
- 1.16 "Management Fee":** means Nil.
- 1.17 "Mortgagee":** means a creditor that holds all or part of the Building or the Lands as security, but a creditor, chargee or security holder of a tenant is not a Mortgagee.
- 1.18 "Operating Costs":** means any and all costs, charges, impositions, expenses and outlays in connection with the operation, maintenance, repair, replacement and insuring of the Leased Premises.
- Operating Costs exclude: the Landlord's income taxes, corporation taxes, capital taxes, land transfer taxes.
- 1.19 "Person":** means any person, firm, partnership, corporation or other legal entity, including any combination of them.
- 1.20 "Proportionate Share":** means One Hundred (100%) percent
- 1.21 "Public Corporation":** means a corporation whose shares are traded and listed on a recognized stock exchange in Canada or the United States.
- 1.22 "Realty Taxes":** means the total of: (a) all real property taxes or charges (including local improvements and commercial concentration taxes) from time to time imposed in respect of all or any part of the Building and the Lands by any taxing authority, and any other amounts that may be imposed instead of or in addition to them, whether against the Landlord or the Tenant and whether or not similar to the foregoing, and whether in existence at the Commencement Date or not, and whether or not within the contemplation of the parties and (b) all consulting, appraisal, legal and other costs reasonably incurred in attempting to minimize or reduce those amounts. Realty Taxes do not include corporate, income, profits or excess profits taxes assessed upon the income of the Landlord except those that may be imposed instead of or (so long as they are based on real property) in addition to the taxes and charges described above. Realty Taxes shall in every

instance be calculated on the basis of the total area of the Building being assessed as fully leased and operational.

- 1.23 **“Released Person”**: means the Landlord and any Mortgagee, and each of their respective trustees, directors, officers, employees (while in the ordinary course of their employment) and agents. In connection with any release or other exculpatory language or an indemnity in favor of the Released Person, the Landlord is the agent or trustee of and for the benefit of the Mortgagee and all of the directors, officers, employees and agents mentioned above.
- 1.24 **“Rent”**: means the aggregate of Base Rent and Additional Rent.
- 1.25 **“Secured Claim”**: means a hypothec or other lien or claim, Construction Lien(s), a fixed or floating charge, mortgage, security interest, debenture or other encumbrance, or n notice with respect to any of them.
- 1.26 **“Stipulated Rate”**: means one percent (1%) per month which equals an annual interest rate of twelve percent (12%), compounded monthly and not in advance.
- 1.27 **“Tenant’s Additional Costs”**: means the costs set out in Section 4.2(d) of this Lease.
- 1.28 **“Term”**: means the period of time as described in Paragraph 5 of the Basic Terms, and any renewal or extension thereof in accordance with this Lease.
- 1.29 **“Transfer”**: means (a) an assignment, sale, conveyance, sublease, licensing or other disposition, a hypothec or a mortgage, charge or debenture (floating or otherwise) or other encumbrance of this Lease or any interest in it or of all or any part of the Leased Premises (whether by operation of law or otherwise), or of any interest in a partnership that is a Tenant under this Lease; (b) a parting with or sharing of possession of all or part of the Leased Premises; (c) a transfer or issue by sale, subscription, assignment, bequest, inheritance, operation of law or other disposition, of all or part of the shares of the Tenant or an “Affiliate” of the Tenant (as currently defined under the Canada Business Corporations Act) which results in a change in the effective voting control of the Tenant; or (d) a merger, amalgamation, or other similar corporate reorganization involving the Tenant. “Transferor” and “Transferee” have corresponding meanings.
- 1.30 **“Utilities”**: means the cost of water, fuel, power and any other utilities used in the Building or on the Lands.
- 1.31 **“Utilities Charges”**: means the total, without duplication, of: (a) the Utilities, (b) the costs of procuring any Utility Supply contract, including but not limited to, the amount ‘of any security deposits, interest thereon (at the Stipulated Rate), cost of providing letters of credit and any other similar costs, the delivery charges and debt reduction charges or similar charges imposed by a utility provider; and (c) any costs of determining the Utilities Charge including professional, engineering and consulting fees.

ARTICLE 2 GRANT

2.1 The Leased Premises

The Landlord leases to the Tenant, and the Tenant leases from the Landlord, the Leased Premises, to have and to hold for the Term, unless sooner terminated by the Landlord pursuant to the Lease.

2.2 Quiet Enjoyment

The Landlord covenants with the Tenant for quiet enjoyment subject to the provisions of this Lease and the Tenant's payment of Rent and observation and performance of all of its covenants and obligations under the Lease.

2.3 Basic Terms

The Basic Terms shall form an integral part of this Lease as though they were set forth herein in full.

ARTICLE 3 CONDITION OF THE LEASED PREMISES

3.1 Condition of the Leased Premises

The Tenant shall accept the Leased Premises in the condition described in Paragraph 4 of the Basic Terms.

All Alterations in and to the Leased Premises shall be the responsibility of the Tenant and shall be performed at the Tenant's sole cost and expense, the whole subject to the terms and conditions hereinafter set forth.

ARTICLE 4 TENANT'S COVENANTS

4.1 Base Rent

- (i) The Tenant will pay to the Landlord during the Term, without demand, abatement or set-off, the Base Rent, calculated in accordance with Paragraph 6 or 7, as applicable, of the Basic Terms, payable in advance in equal monthly installments, beginning on the Commencement Date and thereafter on the first day of every month of the Term.

4.2 Additional Rent

a) Realty Taxes

The Tenant will pay, as Additional Rent, all Realty Taxes attributable to the Leased Premises, as Additional Rent, in the manner set forth in this Lease.

In the event that there is no separate bill for Realty Taxes charged against the Leased Premises or a separate assessment, the Realty Taxes charged against the Leased Premises shall be determined by the Landlord acting reasonably, the cost of making such determination to be included in Realty Taxes. In making such determination the Landlord shall have the right, without limiting its right to do otherwise, to establish separate assessments for the Leased Premises by using such criteria as the Landlord, acting reasonably, shall determine to be relevant including, without limitation:

- 1) the then current established principles of assessment used by the relevant assessing authorities;

- 2) assessments of the Leased Premises in previous periods of time; or
- 3) the Tenant's Proportionate Share; and
- 4) any act, religion or election of Tenant which results in an increase or decrease in the amount of Realty Taxes which would otherwise have been charged.

The Tenant shall deliver to the Landlord forthwith upon the Tenant's receiving the same copies of all assessment notices, tax bills, receipts and other documents received by Tenant relating to Realty Taxes on the Leased Premises.

The Landlord and the Tenant agree to consult from time to time with each other regarding whether a tax appeal should be commenced in respect of the Leased Premises. The Landlord may contest any Realty Taxes and appeal any assessments related thereto and may withdraw any such contest or appeal or may agree with the relevant authorities on any settlement in respect thereof. If the Landlord does not wish to appeal Realty taxes in respect of the Leased Premises, then the Tenant will have the right to appeal Realty Taxes in respect of the Leased Premises. The parties will co-operate with each other in respect of any such contest and appeal and shall provide to the other such information and execute such documents as may be required to give full effect to the foregoing. All costs of any such contest and appeal by the Landlord shall be included in the Tenant's Additional Costs, unless the Tenant appeals the Realty Taxes. The Tenant shall be responsible for any increases in Realty Taxes arising as a result of any unsuccessful appeal of Realty Taxes by the Tenant.

b) Operating Costs and Utilities

The Tenant shall be responsible for payment of all Operating Costs in respect of the Leased Premises.

The Tenant will also pay directly to the suppliers, before delinquency, any Utilities separately metered to the Leased Premises which are billed directly to the Tenant by the supplier. The Tenant shall not enter into any arrangement with any independent Utility supplier without the prior written approval of the Landlord. The Landlord will have the right to approve such arrangements, acting reasonably, and the Tenant will provide to the Landlord a copy of all Utility supply contracts entered into by the Tenant. The Tenant will keep current on all of its obligations to any independent Utility supplier with which it contracts directly for its own supply of any Utilities.

The Tenant shall also be responsible for the payment of the Utilities Charges in respect of the Leased Premises.

c) Tenant's Additional Costs

The Tenant shall pay in each Lease Year as Additional Rent the aggregate of the following (the "**Tenant's Additional Costs**"):

- i) the cost of the Landlord's insurance pursuant to Section 5.2;

- ii) the cost of all maintenance, replacement and/or repairs to, the roof of the Building, parking and/or paved areas, and/or HVAC equipment;
- iii) the cost of any appeals of Realty Taxes undertaken by the Landlord in respect of the Leased Premises;

d) Payment of Additional Rent

If the Tenant does not pay directly any item that is included in Additional Rent then, the Landlord may estimate the amount of the Additional Rent payable by the Tenant at the commencement of each Lease Year, or fraction of a Lease Year within the Term. The Tenant shall pay to the Landlord the Additional Rent in equal monthly installments in advance throughout the period for which the estimate is made. The Landlord may periodically revise its estimates and notify the Tenant of the revised estimates, and the Tenant's monthly payments will be adjusted accordingly.

Within one hundred and twenty (120) days after the end of a Lease Year and upon a reasonable period of time after the expiry of the Lease, the Landlord will provide to the Tenant a statement of the actual amounts payable by the Tenant, showing in reasonable detail the determination of the costs and the calculation of the Tenant's payment (the "Statement"). Any amounts owing by the Tenant to the Landlord will be paid within ten (10) days after the date of delivery of the Statement by the Landlord. Provided the Tenant is not in default under this Lease, any amounts owing by the Landlord to the Tenant will be credited to the Tenant's account, without interest.

The Landlord shall, within ten (10) days of the Tenant's request, provide reasonable access to the Tenant or the Tenant's accountants or auditors to its books and records with respect to Realty Taxes and the Tenant's Operating Costs for examination by them, at the Tenant's cost, at the Landlord's office or offices where such records and books are kept. Notwithstanding the Tenant's right to question, it shall continue to pay the Rent as and when due.

Neither party shall be entitled to dispute the accuracy of any statement provided by the Landlord in accordance with the foregoing or claim any reimbursement or adjustment in respect of Additional Rent owing for a Lease Year after the expiry of twenty-four (24) months from the date of receipt by the Tenant of the Landlord's Statement for such Lease Year.

4.3 Area Determination

The Landlord and Tenant have agreed that the Building is deemed to contain 51,585 square feet.

4.4 Payment of Rent and Overdue Rent

The Tenant agrees to make payments of all Rent payable pursuant to this Lease in the manner described in Paragraph 6 of the Basic Terms. Rent is payable in Canadian funds without any deduction, abatement or set-off. Rent payable to the Landlord will be paid to the address set out in Paragraph 1 of the Basic Terms or at any other place which the Landlord designates in writing. Rent for any fractional month at the beginning or end of the Term will be pro-rated on a daily basis using a period of three hundred and sixty-five (365) days. If the Tenant defaults in paying Rent, the unpaid Rent bears interest at the Stipulated Rate from the due date to the actual date of payment.

4.5 Deposit

The Landlord and Tenant acknowledge there is no Deposit paid with respect to the Lease.

4.6 Use

During those periods when the Tenant is operating its business, the Tenant will operate its business in the Leased Premises only for the use set out in Paragraph 9 of the Basic Terms or such other lawful use consented to by the Landlord in writing, acting reasonably, and for no other purpose. The Tenant shall satisfy itself that such use is permissible pursuant to all applicable zoning and other municipal laws and the regulations of Health Canada and The Criminal Code of Canada and any other legislation that applies to their use of the Leased Premises. The Tenant shall also be solely responsible for obtaining its own occupancy permit.

4.7 Conduct of business

- a) In the conduct of the Tenant's business, the Tenant will:
 - i) not allow or cause any act to occur in or about the Building and the Lands which, in the Landlord's opinion, hinders or interrupts the flow of vehicular and pedestrian traffic to, in and from the Building or the Lands;
 - ii) not create any obnoxious odours or improper noise. The products produced by the Tenant (medical marijuana and any by-product thereof) and the methods used in such production pursuant to the terms of the Tenant's license issued by Health Canada shall not be considered to create any obnoxious odours or improper noise for the purposes of this Lease, but are subject to federal, provincial and municipal rules and regulations; and
 - iii) not commit or permit to be committed any waste upon the Leased Premises.
- b) There shall be no continuous operating requirement on the Tenant and the Tenant shall have the right to cease operating its business in all or any part of the Leased Premises at any time upon at least thirty (30) days' prior written notice to the Landlord. Notwithstanding that it has ceased operating its business, the Tenant shall continue to comply with all provisions of this Lease during any period of non-operation.
- c) The Tenant shall at all times in its operation comply with all Federal, Provincial and municipal Acts, Rules, Regulations, codes and/or by-laws which may apply to its business, including without limiting the generality of the foregoing, those of Health Canada.

4.8 Observance of Law

- (a) The Tenant will promptly comply, at its expense, with all governmental requirements from time to time in effect relating to its ability to enter into and comply with this Lease or which pertain to the Leased Premises, the Tenant's use of the Leased Premises, the conduct of business in the Leased Premises, or the doing of work in the Leased Premises.

- (b) The Tenant represents and warrants to the Landlord that it currently has or will forthwith apply for, and shall maintain, all required licenses and permits to carry on its business in the Leased Premises. For greater certainty, the Term of the Lease shall commence on June 1, 2019, and the Tenant shall be obligated to pay Rent from and after that date, regardless of whether all required licenses and permits to carry on its business have been obtained by the Tenant.

4.9 Tenant's Insurance

Throughout the term of this Lease, the Tenant shall take out and keep in force:

- a) comprehensive general liability insurance with respect to the business carried on in or from the Leased Premises and the use and occupancy thereof for bodily injury and death and damage to property of others in at least the amount described in Paragraph 9(a) of the Basic Terms for each occurrence or such greater amount as the Landlord may from time to time reasonably require;
- b) all risks (broad form) insurance, including flood and sewer back-up, earthquake, collapse and flood in respect to furniture, equipment, inventory and stock-in-trade, fixtures and leasehold improvements located within the Building, and such other property located in or forming part of the Building, including all mechanical or electrical systems (or portions thereof) installed by, or on behalf of the Tenant in the Building, the whole for the full replacement cost (without depreciation) in each such instance;
- c) if any boiler or pressure vessel is operated in the Building, boiler and pressure vessel insurance with respect thereto;
- d) business interruption insurance covering loss of earnings from all perils covered in policies obtained under paragraphs b) and c) above for an indemnity period of at least twelve (12) months;
- e) tenants' legal liability insurance of at least the amount described in Paragraph 9(b) of the Basic Terms for each occurrence or such greater amount as the Landlord may from time to time reasonably require; and
- f) any other form of insurance, in such amounts and against such risks, as the Landlord, acting reasonably, or any Mortgagee may reasonably from time to time require.

Each policy of insurance will name, as insured, the Landlord and any Mortgagee as additional insureds, each as their respective interests may appear. The policies specified under subparagraphs b), c) and d) will contain standard mortgage clause(s) and may have reasonable deductibles. The policies (other than the Tenant's liability policy) will contain a waiver of any subrogation rights which the Tenant's insurers may have against the Released Persons and those for whom any of them is in law responsible. All policies will (i) be non-contributing and apply only as primary and not excess to any other insurance available to any of the Released Persons; (ii) not be invalidated (in relation to the interests of any of the Released Persons) by reason of any breach of warranties, representations, declarations or conditions in the policies; and (iii) contain an undertaking by the insurers to notify the Landlord and each Mortgagee in writing not less than thirty (30) days before any material change, cancellation or termination.

Prior to the Commencement Date of this Lease and on every renewal date of the insurance policy, the Tenant will deliver certificates of insurance executed by the Tenant's insurers. No review or approval of any insurance policy or certificate by the Landlord will in any way alter the Landlord rights under this Lease. In the event of loss or damage, the Tenant will provide the Landlord or any Mortgagee with copies of the Tenant's insurance policies.

The Tenant will not allow anything to occur that results in the cancellation or threatened cancellation or a reduction of coverage under any of the Landlord's insurance policies in respect of any part of the Leased Premises.

4.10 Release

- a) Except to the extent of its gross negligence or willful misconduct, none of the Released Persons, is liable for any death or injury from any occurrence in, or relating to any part of the Building or the Lands or for any damage to or loss of (or loss of use of) property of the Tenant or of others wherever located and however caused, including any failure in the supply of any services or Utilities, the existence of any Hazardous Substances or the exercise by the Landlord of any of its rights under this Lease.

4.11 Indemnity

Except to the extent arising from the gross negligence or willful misconduct of a Released Person, the Tenant will indemnify the Released Persons from all losses or claims in connection with loss of life, personal injury, damage to property or anything else arising from a default of any of the Tenant's obligations under this Lease, or from any occurrence in or relating to the Leased Premises occasioned wholly or in part by any act or omission by the Tenant or those for whom the Tenant is legally responsible, or from the occupancy or use by the Tenant of all or any part of the Leased Premises, or occasioned wholly or in part by an act or omission of the Tenant or those for whom the Tenant is legally responsible or by anyone permitted to be on the Leased Premises by the Tenant.

4.12 Maintenance of the Leased Premises

The Tenant will keep the Leased Premises and all the improvements, fixtures and equipment in the Leased Premises in a good condition and state of repair. The Landlord shall have the right at all reasonable times and upon twenty-four (24) hours prior notice, to examine the condition of the Leased Premises and notify the Tenant of deficiencies and the Tenant shall make good any deficiencies for which it is responsible within fifteen (15) days from the date of such notice.

The Tenant shall operate, maintain, repair and replace at the Tenant's expense the HVAC units and the HVAC System serving the Leased Premises. The Tenant shall maintain in full force and effect an HVAC maintenance contract with a reputable supplier and upon the Landlord's written request, shall provide the Landlord with copies of such contract and semi-annual inspection reports. The Landlord acknowledges that the Tenant may elect not to air-condition any portion of the Building.

4.13 (a) Alterations

After the first year of the Term, the Tenant will not make any Alterations to the Leased Premises which exceed Fifty Thousand Dollars (\$50,000.00) in cost at any one time or in any twelve (12) month period without the Landlord's prior written approval, which will not be unreasonably withheld if (i) the Alterations meet or exceed the then current standard for the Building or the Lands, as the case may be; (ii) adequate plans and specifications are produced; and (iii) the Tenant has obtained all requisite governmental approvals. The Tenant shall ensure that the changes required by the Landlord to such plans and specifications are incorporated therein and the Tenant shall then resubmit them to the Landlord for approval. The Tenant shall pay, as Additional Rent, within thirty (30) days following the receipt of an invoice from the Landlord, all of the costs incurred by the Landlord for the analysis and approval of the plans and specifications.

All Alterations will be performed: (i) by competent workers whose labour union affiliations are compatible with others employed by the Landlord and its contractors; (ii) in a good and skillful manner; and (iii) in accordance with the approved plans and specifications and the Landlord's reasonable requirements.

If any part of the Building or Lands requires repairs, replacement or alteration because of anything done or omitted to be done by the Tenant or its officers, directors, agents, employees, contractors, invitees or licensees except by reason of normal wear and tear (unless the Tenant is otherwise in this Lease required to repair, replace or alter) then the Tenant will pay to the Landlord, on demand, the Landlord's cost of repairs, replacements or alterations, plus a supervision fee of five (5%) percent, calculated on said costs, notwithstanding the definition of Capital Costs.

(b) Roof and Rooftop Tenant

The Tenant shall not be entitled to install upon the roof of the Building any equipment except as consented to in writing by the Landlord, which consent may be unreasonably withheld. Any such equipment shall be used in connection with the Tenant's business in the Leased Premises and not for re-sale to third parties. Any rooftop installations should be subject to the Landlord's prior written approval of the Tenant's plans and specifications in respect thereof. The Tenant's maintenance, repair, insurance, removal and make good obligations under this Lease shall extend to any such rooftop installations. The Landlord may, at its option, have a representative of the Landlord accompany the Tenant on the installation or removal of the rooftop equipment and during any required inspections or repairs of such equipment. Any modifications to the Building or any damage caused to the roof or other part of the Leased Premises arising out of the installation, existence or removal of any rooftop equipment may be undertaken by the Landlord at the Tenant's expense, it being agreed that the roof or other damaged part of the Leased Premises shall be restored to the condition which existed prior to the installation of any new rooftop equipment installed after the date of this Lease.

4.14 Indemnity

The Tenant covenants to indemnify the Landlord against and from all losses, costs, claims and demands in respect of any injury or damage caused by or resulting from any work done by or on behalf of the Tenant under Article 4.13 of this Lease.

4.15 Removal of Alterations and Restoration of Leased Premises

All Alterations, which are not the Tenant's trade fixtures, are leasehold improvements and the property of the Landlord. The Tenant will not remove any trade fixtures from the Leased Premises at any time prior to the expiry or earlier termination of this Lease. At that time, the Tenant will remove at its own expense its trade fixtures, failing which they will, at the Landlord's option, either be removed by the Landlord at the Tenant's cost or become the property of the Landlord. The Tenant will repair any damage caused to any part of the Building or the Lands by such removal and will leave the Leased Premises in a clean, broom swept condition. At the expiry or termination of this Lease, the Tenant will also deliver all keys and security cards for the Building to the Landlord.

The Tenant shall, at the expiry of the Term or earlier termination of the Lease remove its security system and associated equipment and its gas generator, provided it is understood and agreed that upon expiry or termination of the Lease, the following shall remain on the Leased Premises as property of the Landlord:

- (a) Air Handling Units;
- (b) Cooling Towers;
- (c) Chillers;
- (d) Boilers;
- (e) Make Up Air Unit(s);

4.16 Signs and Advertising

- a) The Tenant may at its expense, erect and maintain identification signage of a type and in a location specified in writing by the Landlord, subject to the Landlord's prior written approval of such signage (which approval will not be unreasonably withheld) and compliance with all governmental authorities. Any such sign shall remain the property of the Tenant and shall be maintained by the Tenant at its sole cost and expense and the Tenant shall pay for the electricity consumed by such sign. At the expiration or earlier termination of this Lease, the Tenant will remove any such sign from the Leased Premises at its expense and will promptly repair all damage caused by its installation or removal.

ARTICLE 5 LANDLORD'S COVENANTS

5.1 Realty Taxes

The Landlord will pay Realty Taxes subject to the obligation of the Tenant to reimburse the Landlord for same. However, the Landlord may defer payment of Realty Taxes, or defer compliance with laws in connection with the levying of Realty Taxes, to the extent legally permitted, if it diligently prosecutes a contest or appeal of the Realty Taxes. The Tenant shall not be required to pay any penalties or delinquency charges imposed upon the Landlord as a result of the Landlord's late payment of Realty Taxes.

5.2 Landlord's Insurance

The Landlord will maintain: (a) all risks (broad form) insurance on the Building structure and roof, (excluding the foundations, excavations and any property of the Tenant or any other persons on the Leased Premises) and which will contain a waiver of any subrogation rights which the Landlord's insurers may have against the Tenant; (b) public liability and property damage insurance with respect to the Lands; (c) loss of rentals insurance. The Landlord's insurance will be in those reasonable amounts and with those reasonable deductibles that a prudent owner of a similar property would maintain, having regard to size, age and location. The Landlord will use its reasonable efforts to ensure that the Landlord's costs of insurance are reasonably competitive. Notwithstanding the Landlord's covenant contained in this Article 5.2 and notwithstanding any contribution by the Tenant to the cost of the Landlord's insurance premiums as part of the Tenant's Additional Costs or otherwise, the Tenant agrees that (i) the Tenant is not relieved of any liability arising from or contributed to by its acts, fault, negligence or omissions; (ii) no insurable interest is conferred on the Tenant under any policies of insurance carried by the Landlord and (iii) the Tenant has no right to receive any proceeds of any such insurance policies carried by the Landlord .

5.3 Maintenance and Repairs by Tenant

- a) Without limiting the generality of Section 4.12, the Tenant will: (i) maintain, repair the roof of the Building; (ii) repair the paved areas, as required and repair and/or replace the HVAC, in all cases as would a prudent owner of a similar industrial building, having regard to size, age and location, subject to damage or injury caused by or to the extent contributed to by anything done or omitted to be done by or the negligence of the Landlord or those for whom it is legally responsible (in which case, subject to Article 6, the Landlord shall repair). In the event that the Tenant fails to do so, the Landlord may carry out such maintenance and repairs on behalf of the Tenant and the cost thereof plus a supervision fee of five (5%) percent shall be charged to the Tenant and shall be payable by the Tenant as Additional Rent to the Landlord upon demand).
- b) The Tenant shall maintain and repair the HVAC units and the HVAC System serving the Leased Premises.
- c) The Tenant shall at its expense maintain and repair all opening and closing mechanisms (such as, by way of example, locks and automatic door openers and dock levelers).

5.4 Landlord's Right of Entry

It is not a re-entry or a breach of quiet enjoyment if the Landlord enters the Leased Premises at reasonable times upon giving the Tenant twenty-four (24) hours prior notice, except in cases of emergency when as much notice in the circumstances as can be given shall be provided: (i) to examine the Leased Premises, including an examination to ensure that the Tenant is complying with its maintenance and repair obligations under this Lease and to ensure that the Tenant is complying with all Environmental Laws; (ii) to make permitted or required repairs, alterations, improvements or additions to the Leased Premises or the Building; (iii) to show them to prospective purchasers, tenants or Mortgagees; (iv) to install any equipment on the rooftop of the Building; or (v) to effect any repairs which are the Landlord's responsibility under this Lease, in each case (to the extent reasonably possible in the circumstances) without unreasonably interfering with the Tenant's business operations in the Leased Premises. The Landlord may take material onto the Leased Premises for these purposes. Rent will not abate or be

reduced while the repairs, alterations, improvements or additions are being made. During the six (6) months prior to the expiry of the Term, the Landlord may place upon the Leased Premises "For Rent" or "For Sale" notices of reasonable size and in reasonable locations.

ARTICLE 6 DAMAGE AND DESTRUCTION AND EXPROPRIATION

6.1 Damage and Destruction

- a) The Landlord and the Tenant agree that, if during the Term, the Building is damaged or destroyed (hereinafter called "Damage") and such Damage, in the opinion of the Landlord, acting reasonably, to be given to the Tenant within ten (10) days of such Damage, renders the Building so substantially and severely damaged that it cannot with reasonable diligence be repaired or rebuilt within one hundred and eighty (180) days after the happening of Damage, then this Lease shall at the Landlord's or the Tenant's option (such option shall be exercised within sixty (60) days of the date of Damage) cease and become ended and terminated as of the date of Damage and in the event of such termination as above mentioned, the Landlord may immediately on such termination re-enter and repossess the Leased Premises and be discharged from this Lease, provided that notwithstanding such termination, but subject to the prior written consent of the Landlord, acting reasonably, the Tenant may continue to use any portion of the Building and pay Rent with respect to such portion used until the earlier of the date the Tenant no longer requires its use and the date the Landlord requires same for repair or re-leasing.
- b) In the event that neither the Landlord nor the Tenant shall elect to terminate this Lease by reason of Damage, as set out in sub-paragraph (a), or if the Building shall be repairable as aforesaid within one hundred and eighty (180) days from the happening of Damage, the Rent and all other sums payable by the Tenant to the Landlord under this Lease, shall abate by the same proportion as the area of the part of the Leased Premises rendered unfit for occupancy bears to the whole of the Building until the earlier of forty-five (45) days after substantial completion of the Landlord's repairs and the date the Tenant opens for business in the Building. The Landlord covenants and agrees with the Tenant to forthwith proceed and carry on with all diligence, the completion of such repairs and replacements as shall be necessary to repair the Building (other than the Tenant's trade fixtures, equipment, personal property and leasehold improvements, which are the Tenant's responsibility).
- c) Provided further and notwithstanding what is hereinbefore set out in this Article, if the cost of making such repairs would be in excess of seventy (70%) percent of the amount of the full replacement cost at the time of Damage of the Building, then even if the Building is repairable within one hundred and eighty (180) days after Damage, the Landlord shall have the right to terminate this Lease upon sixty (60) days' notice to the Tenant following the date of Damage and the Tenant shall have no claim against the Landlord as a result of the early termination. The Landlord's notice shall be accompanied by a certificate of the Landlord's duly qualified architect or engineer, certifying that in the opinion of such architect or engineer the cost of making repairs would be in excess of seventy (70%) percent of the full replacement cost of the Building at the date of Damage, provided that notwithstanding such termination, but subject to the prior written consent of the Landlord, acting reasonably, the Tenant may continue to use any portion of the

Building and pay Rent with respect to such portion used until the earlier of the date the Tenant no longer requires its use and the date the Landlord requires same for repair or re-leasing.

- d) In the event of termination of the Lease in the aforementioned manner, all insurance benefits, other than those sums relating to the property of the Tenant to the extent that the latter has no debts towards the Landlord hereunder, shall be and shall remain the absolute property of the Landlord.

6.2 Expropriation

If the Leased Premises, the Building or the Lands are expropriated by a governmental authority in a material or substantial manner, the Landlord shall have the right to terminate this Lease upon at least thirty (30) days' notice to the Tenant, all Rent will abate as of the effective date of the notice, and the Tenant will have no claim against the Landlord as a result of the early termination of this Lease.

ARTICLE 7 TRANSFERS BY TENANT AND SALE OR FINANCING BY THE LANDLORD

7.1 Consent to Transfer

- a)
 - i) The Tenant shall not Transfer the Lease or sublet all or part of the Leased Premises without the Landlord's prior written consent, which consent shall not be unreasonably withheld or delayed. The Landlord shall provide its consent to a proposed assignment or sublet if the Tenant demonstrates to the Landlord, acting reasonably, that the proposed subtenant or Lease transferee has an equal or better financial covenant to that of the Tenant. A change in control of the Tenant shall not be deemed to be a Transfer and the Tenant shall not be obliged to obtain the Landlord's consent to a change in control of the Tenant but shall be obliged to inform the Landlord of such change in control within thirty (30) days of such change in control.
 - ii) The Tenant will be deemed to be in default in the event that the Transfer is a mortgage, charge or debenture in respect of this Lease or the Leased Premises. However, the Tenant shall not be deemed to be in default under the terms of the Lease by reason of any lien, mortgage, debenture, charge or encumbrance (the "Encumbrance") which may attach to the goods, trade fixtures, furnishings or, equipment (hereinafter collectively called the "Equipment") of the Tenant located in the Leased Premises (excluding leasehold improvements) so long as:
 - (A) any such Encumbrance arises through any bona fide financing done by the Tenant in accordance with the Tenant's normal business practice or by reason of any sale and leaseback agreement entered into by the Tenant for financing purposes with respect to the Equipment (excluding leasehold improvements);
 - (B) the Tenant is not in default under any such Encumbrance, or any such sale and leaseback agreement; and
 - (C) the foregoing shall in no way prejudice or affect the priority of the Landlord's rights or the obligations of the Tenant with respect to:

- (i) such Equipment or stock-in-trade or leasehold improvements under all other terms of the Lease; and
- (ii) all laws relating to bankruptcy or distress.

The Tenant agrees that registration of any notice thereof against title to the Lands shall be subject to the Landlord's prior written approval, not to be unreasonably withheld, and shall be subordinate to any Mortgage against the Lands.

- iii) The Landlord may reasonably withhold its consent if the Landlord does not receive sufficient information from the Tenant or the Transferee to enable it reasonably to make a determination concerning the matters set out above.

This section does not apply to a Transfer that occurs where the Tenant occupies all of the Leased Premises and is either (A) a Public Corporation, or (B) a subsidiary body corporate (as currently defined under the Canada Business Corporations Act) of a Public Corporation and the shares of the Public Corporation (and not of the Tenant) are transferred or issued. The Tenant will nevertheless notify the Landlord if any exempt Transfer takes place.

- b) If the Tenant intends to effect a Transfer, then the Tenant will give prior written notice to the Landlord of such intent, specifying the proposed Transferee and providing additional information including, without limitation, any information concerning the experience or business status and financial strength of the Transferee that the Landlord may reasonably require. The Landlord will, within six (6) business days after having received notice and all necessary information notify the Tenant in writing either that it consents or does not consent to the Transfer.
- c) Notwithstanding anything to the contrary contained in Section 7.1(a) and provided no Event of Default exists, the Tenant shall have the right to effect a Transfer without the Landlord's prior written consent to: (i) a holding or subsidiary body corporate or affiliate of the Tenant (as those terms are defined in the Canada Business Corporations Act) (a "Related Company"), provided the Transferee remains a Related Company of the Tenant; or (ii) a Person who is purchasing substantially all of the Tenant's business undertaking and assets in Manitoba, either by way of a share purchase or an asset purchase; provided in each of the foregoing cases (1) the Landlord receives written notice of the Transfer and (2) all of the provisions of Sections 7.2 and 7.3 shall apply to such Transfer.

7.2 Transfer Conditions

The following conditions apply to Transfers and to consents given by the Landlord: (a) the Landlord's consent is not a waiver of the requirements for consent for subsequent Transfers; (b) the Transferor will remain liable for the Tenant's obligations and indemnify the Landlord against the Transferee's failure to perform the Tenant's obligations after the Transfer; (c) the Transferee will execute an agreement directly with the Landlord agreeing to be bound by this Lease as a Tenant; (d) the Landlord may apply amounts collected from the Transferee to any unpaid rent; (e) once the Landlord's consent is given, the Transfer (but not necessarily possession of the Leased Premises by the Transferee) must take place within sixty (60) days or the consent will expire and the Transfer may not take place unless the Tenant again complies with Article 7 and (f) the Tenant will reimburse any out of pocket expenses incurred by the Landlord

during its review of the Tenant's request for a Transfer, including legal costs on a solicitor-and-own-client basis and in addition, will pay to the Landlord a fee of Five Hundred (\$500.00) Dollars (plus GST) for the Landlord's consent to the Transfer.

7.3 Additional Terms Respecting Transfers

- a) Acceptance by the Landlord of Rent or other payments by a Transferee is not, (i) a waiver of the requirement for the Landlord to consent to the Transfer, (ii) the acceptance of the Transferee as Tenant, or (iii) a release of the Tenant from its obligations under this Lease.
- b) No part of the Leased Premises or this Lease will be listed or advertised by the Tenant or any other Person for the purpose of a Transfer, without the Landlord's prior written consent, which consent will not be unreasonably withheld or unduly delayed.
- c) Any documents evidencing the Landlord's consent to the Transfer and the matters set out in Section 7.2 will be prepared by the Landlord.

7.4 Sale by the Landlord

If the Landlord transfers or disposes of any part of the Building or the Lands or all or part of the Landlord's interest under this Lease, then to the extent that the transferee or disposee agrees with the Landlord to assume the Landlord's obligations under this Lease, the Landlord will be released from them, except for the existing defaults as of the date of the transfer or disposition.

7.5 Subordination and Attornment

- a) Provided the Tenant receives the Non-Disturbance Agreement referred to in Section 7.5(b), this Lease will be subordinate to every existing and future mortgage, charge, trust deed, financing, refinancing or collateral financing against the Leased Premises or the Building and any renewals or extensions of or advances under them (collectively "Encumbrances"). Provided the Tenant receives a Non-Disturbance Agreement, the Tenant will, on request, attorn to and recognize as landlord the holder of any such Encumbrances or any transferee or disposee of the Building or of an ownership or equity interest in the Building. The Tenant will, within ten (10) days after the request, sign and deliver any reasonably requested postponement, subordination or attornment document.
- b) Upon the written request of the Tenant, the Landlord shall use its reasonable efforts to obtain at the Landlord's expense an agreement (the "Non-Disturbance Agreement") from any Mortgagee of the Building, to the effect that upon the execution and delivery by the Tenant to the Landlord of this Lease, if the Tenant shall pay the Rent and comply with all terms and conditions contained in this Lease and attorn to the Mortgagee, the Tenant shall be permitted to remain in quiet possession of the Leased Premises without interruption or disturbance from the Mortgagee, or at the option of the Mortgagee, shall be entitled to obtain a new lease for the unexpired Term of this Lease, on the same terms and conditions as contained in this Lease. The Tenant shall promptly execute such documents as may be required by the Landlord to give effect to the foregoing.

7.6 Status Statement

Within ten (10) days after the request, the Tenant will sign and deliver to the Landlord or to any Person with or proposing to take an interest in all or part of the Building, a status statement or certificate stating that this Lease is in full force and effect, any modification to this Lease, the commencement and expiry dates of this Lease, the date to which Rent has been paid, the amount of any Pre-Paid Rent or Security Deposit, listing any alleged existing defaults by the Landlord or set-offs by the Tenant and the particulars thereof and any other information reasonably required by the Person requesting the certificate.

ARTICLE 8 DEFAULT

8.1 Right to Re-enter

- a) If an Event of Default occurs, (i) the full amount of the current month's and the next three (3) months' installments of Rent (calculated according to Section 8.1(b)) and GST will immediately be due and payable, and (ii) the Landlord may without notice or any form of legal process whatsoever forthwith re-enter and repossess the Leased Premises. If the Landlord becomes entitled to re-enter then, at the Landlord's option to be exercised by written notice to the Tenant, the Landlord can forthwith terminate this Lease and all of the Tenant's rights under it will terminate without prejudice to the Landlord's right to recover any arrears of Rent and damages for any previous breach by the Tenant of this Lease. Despite any termination for an Event of Default, the Landlord may sue the Tenant for damages, including loss of future Rent as a result of this Lease being prematurely terminated and the cost of recovering the Leased Premises. If any legal proceedings are instituted because of an Event of Default, the Tenant will pay the Landlord's expenses, including legal fees on a solicitor and client basis.

Upon termination, the Tenant will promptly (and in any case within ten (10) days after written notice requiring it to do so) remove all of its property from the Leased Premises, or the Landlord may at any time remove all or part of the property from the Leased Premises and store it in a public warehouse or elsewhere at the cost of the Tenant. Despite anything to the contrary, the Landlord will not be responsible for loss or damage to any of the Tenant's property regardless of how the loss or damage is caused, even if by negligence. If the Tenant fails to remove its property as required, or if it fails to pay the Landlord's costs of removal and storage within ten (10) days after written notice specifying those costs, the Tenant will be considered to have abandoned its property and the Landlord will be entitled to remove it at the Tenant's cost or retain or sell or dispose of it for the Landlord's own benefit.

- b) If the Landlord terminates this Lease for an Event of Default, then for the purpose of calculating future Rent, the annual Rent will be calculated under this Lease over the balance of the Term, assuming a percent increase (equal to the rate of inflation in effect at the date of termination for the City of Winnipeg) in Additional Rent, year over year, for the remainder of the Term.

8.2 Landlord May Cure the Tenant's Default

If the Tenant defaults in the payment of money that is required under this Lease to be paid to a third party, the Landlord may, after five (5) days' notice to the Tenant, pay all or part of the amount payable. If the Tenant otherwise defaults under this Lease the Landlord may give the Tenant at least ten (10) days' prior notice (except that no notice will be required in an emergency) and if the Tenant does not, within such a

period, commence diligently and then proceed diligently to cure the default, the Landlord may perform or cause to be performed all or part of what the Tenant failed to perform. Then Tenant will pay to the Landlord on demand, the Landlord's expenses incurred under this Section 8.2. The Landlord's right pursuant to this Section 8.2 should be without prejudice to the Landlord's other rights and remedies in this Lease.

8.3 Application of Money

The Landlord may apply amounts received from or due to the Tenant against amounts due and payable under this Lease, even if otherwise requested by the Tenant, unless the Tenant can satisfactorily demonstrate to the Landlord, acting reasonably, that an account is in fact not due and payable. Payment by the Tenant or receipt by the Landlord of less than the required monthly payment of Rent is on account of the earliest stipulated Rent. An endorsement or statement on a cheque or letter accompanying a cheque or payment as Rent is not an acknowledgment of full payment, and the Landlord may accept and cash the cheque or payment without prejudice to its right to recover the balance of the Rent or pursue its other remedies.

8.4 Remedies Generally

The remedies under this Lease are cumulative and may be exercised independently or in combination with others. No remedy is exclusive or dependent on any other remedy. The specifying or use of a remedy under this Lease does not limit rights to use other remedies available at law generally.

8.5 Distress for Rent in Arrears

Notwithstanding any statute now or hereafter in force limiting or abrogating the right of distress, none of the Tenant's goods, chattels or trade fixtures on the Leased Premises at any time during the continuance of the Term shall be exempt from levy by distress for Rent in arrears, whether at that time on or off of the Leased Premises and, upon any claim being made for such exemption by the Tenant or on distress being made by the Landlord, this agreement may be treated as an estoppel against the Tenant and any action brought to test the right to levying upon any such goods as are named as exempted in any such statute, the Tenant hereby waiving all and every benefit it could or might have had under and by virtue of such statute but for this Lease. Any goods seized by distress may be sold by public or private sale. The Landlord shall have all of the same remedies, including distress, for recovery of any amounts that become owing by the Tenant to the Landlord pursuant to this Lease in addition to Rent, all such amounts being deemed rent for this purpose.

ARTICLE 9 ENVIRONMENTAL MATTERS

9.1 Definitions

For the purpose of the Lease and, in particular, this Section:

- a) **"Environmental Laws"** means all federal, provincial and municipal laws, regulations, by-laws, standards, requirements, ordinances, codes, policies, guidelines, Orders, Notices, Permits and directives pertaining to the protection, conservation, utilization, impairment or degradation of the Environment in effect from time to time;

- b) **“Environment”** includes air, land, groundwater and surface water;
- c) **“Governmental Authority”** means any federal, provincial or municipal parliament, legislature, or any regulatory body, agency, ministry, department, commission or board, or any court or any other law, regulation or rule-making entity, having or purporting to have jurisdiction, or any Person purporting to act under the authority of any of the foregoing or any other authority charged with the administration or enforcement of Environmental Laws;
- d) **“Notice”** means any citation, directive, Order, inspection, proceeding, judgment or other communication, written or oral, actual or threatened;
- e) **“Order”** means any order, decision, decree, judgment, ruling, claim or the like from or by any Governmental Authority under any Environmental Laws;
- f) **“Permit”** means any permit, certificate, authorization, licence, right or exemption or the like issued or granted by any Governmental Authority pursuant to or under any Environmental Laws;
- g) **“Release”** includes any release, discharge, emission, disposal or dumping into or within the Environment.

9.2 Covenants

a) Compliance with Environmental Laws

The Tenant shall comply and cause its employees, agents, contractors and those for whom it is responsible to comply with all Environmental Laws (including, without limiting the generality of the foregoing, obtaining any required Permits) relating to the Building and the Lands or the use thereof by the Tenant or those acting under its authority or control.

b) Inspection

The Tenant shall permit the Landlord, its officers, employees, consultants, authorized representatives and agents to (i) inspect the Leased Premises and the Tenants operations; (ii) conduct tests and environmental assessments; (iii) remove samples from the Leased Premises; (iv) examine and photocopy any documents or records relating to the Leased Premises; and (v) interview the Tenant and its employees, agents, contractors and those for whom it is responsible; all at such reasonable times and intervals as the Landlord may desire.

c) Use of Hazardous Substances

The Tenant shall not use the Leased Premises, or permit them to be used, to utilize, manufacture, store, produce or process any Hazardous Substance, except as permitted in writing by the Landlord and in compliance with all Environmental Laws.

d) Notice to the Landlord

The Tenant shall promptly notify in writing both the Landlord and the proper Governmental Authority, of any Release not in compliance with Environmental Laws occurring upon the Leased Premises.

e) Removal of Hazardous Substances

The Tenant shall, promptly on demand remove all Hazardous Substances used or Released by the Tenant or brought onto the Leased Premises by the Tenant or those acting under its authority or control. For greater certainty, the foregoing obligation of the Tenant shall include, without limitation, the responsibility to remove any Hazardous Substances which have, as a result of the operations of the Tenant or any other Person acting under its authority or control, become affixed to, permeated or accumulated on or within any structures forming part of the Leased Premises.

f) Audit Report

If the Landlord, acting reasonably, believes that the Tenant is in default of its obligations under Section 9.2, the Landlord shall have the right to obtain at the Tenant's cost an independent audit report, in form and substance and from qualified experts approved by the Landlord, acting reasonably, regarding Hazardous Substances on, under or about the Leased Premises. For greater certainty, the Landlord may, at its own cost, undertake inspections and environmental audits in respect of the Leased Premises from time to time during each Lease Year.

g) Remedial action

Upon the demand by any Governmental Authority or the Landlord requiring that removal, clean up, remedial or corrective action be undertaken either because of the presence, introduction, deposit, Release, emission, leak, spill or discharge of Hazardous Substances at the Leased Premises during the Term or which is otherwise caused by the Tenant's operations, occupation or use of the Leased Premises, the Tenant shall promptly at its own expense take all action necessary to carry out a full and complete removal, cleanup, remedial or corrective action. No action by the Landlord and no attempt by the Landlord to mitigate its damages under any law shall constitute any waiver or release of the Tenant's obligations hereunder and the Tenant shall indemnify and save harmless the Landlord from all costs and expenses incurred by the Landlord pursuant to this Lease and in respect of the Hazardous Substances and from all other damages suffered by the Landlord by reason of the Tenant's actions or default hereunder. The Tenant's obligations and liabilities hereunder shall survive the expiration or sooner termination of this Lease.

ARTICLE 10 GENERAL PROVISIONS

10.1 Net Lease

- a) This Lease is an absolutely Net Lease to the Landlord. The Landlord is not responsible for any costs relating to the Leased Premises or the Leased Premises' use, occupancy or contents, or the business carried on in it, and the Tenant will pay all charges, impositions, costs and expenses relating to the Leased Premises.
- b) The Tenant will pay GST on Rent and any other GST imposed by the applicable legislation on the Tenant in respect of this Lease, in the manner and at the times directed by the applicable legislation. The Landlord will have all of the same remedies and right of recovery for GST as it has for non-payment of Rent.

10.2 Landlord and Representatives to Act Reasonably and in Good Faith

In making a determination, calculation, estimate or allocation or in granting any consent or approval under this Lease, the Landlord will act reasonably and in good faith, subject to the specific provisions of this Lease. Each accountant, architect, engineer, surveyor or other professional Person employed or retained by the Landlord will act in accordance with the applicable principles and standards of the Person's profession.

10.3 Entire Agreement and General Interpretation

This Lease includes any Schedules and riders attached to it. There are no covenants, promises, agreements, representations, warranties, conditions or understandings, either oral or written, between the parties concerning this Lease, the Leased Premises or any other related matter, except those that are set out in this Lease. No amendment or addition to this Lease is binding upon the Landlord or the Tenant unless it is in writing and signed by the Tenant and the Landlord. Each obligation under this Lease is a covenant. The captions, section numbers, article numbers and Table of Contents do not define, limit, construe or describe the scope or intent of the sections or articles. The use of the neuter singular pronoun to refer to the Tenant is a proper reference even though the Tenant is an individual, a partnership, a Corporation or a group of two or more individuals, partnerships or corporations. The grammatical changes needed to make the provisions of this Lease apply in the plural sense when there is more than one tenant and to corporations, associations, partnerships or individuals, males or females, are implied. Wherever the word "including" is used it is intended to mean "including but not limited to", and "includes" has a corresponding meaning. This Lease will be governed by the laws of Canada and the Province in which the Building is located. Time is of the essence of this Lease. The Landlord and the Tenant agree that this Lease creates a relationship of landlord and tenant only and specifically does not create nor constitute a partnership between them.

10.4 Severability

If a part of this Lease or the application of it is unenforceable or illegal to any extent, that part: (i) is independent of and severable from the remainder of this Lease, and its unenforceability or illegality does not affect the remainder of this Lease; and (ii) continues to be enforceable to the fullest extent permitted by law. No part of this Lease will be enforced against a Person, if, or to the extent that by doing so, the Person is made to breach the law, rule, regulation or enactment.

10.5 Overholding

The Lease shall automatically and without notice terminate on the last day of the Term or any extension thereof and the occupancy of the Leased Premises by the Tenant after that date shall not have the effect of extending or renewing the Lease for any period of time, whether by way of tacit renewal or otherwise. The Tenant shall in such case be deemed to be occupying the Leased Premises against the will of the Landlord, who shall have the right to avail itself of any and all recourses provided by law to evict the Tenant and claim for damages.

Notwithstanding the foregoing, if the Tenant remains in possession of the Leased Premises after the Term, the Tenant will occupy the Leased Premises as a month to month tenant. The monthly Rent, payable in advance on the first day of each month, will be equal to the total of: (a) one hundred and

twenty percent (120%) of the Base Rent payable for the last month of the Term and (b) the Additional Rent payable for the last month of the Term. All of the other provisions of this Lease will apply as far as they can to a monthly tenancy, with any necessary modifications being assumed.

10.6 Successors

This Lease applies to the successors and assigns of the Landlord and the heirs, executors, administrators and permitted successors and permitted assigns of the Tenant. If there is more than one Tenant, or more than one Person comprising the Tenant, each is bound jointly and severally by this Lease.

10.7 Waiver

The waiver by the Landlord or the Tenant of a default under this Lease is not a waiver of any subsequent default. The Landlord's acceptance of Rent after a default is not a waiver of any preceding default under this Lease even if the Landlord knows of the preceding default at the time of acceptance of the Rent. No obligation or term of this Lease will be considered to have been waived by the Landlord or the Tenant unless the waiver is in writing.

10.8 Notices

Any notice, demand, consent or request (a "Notice") under this Lease will be in writing and will be delivered in person or sent by registered mail postage prepaid and addressed: (a) if to the Landlord, at the address specified in paragraph 1 of the Basic Terms or to such other Person at any other address that the Landlord designates by Notice; and (b) if to the Tenant at the Leased Premises or, at the Landlord's option, at the address of any designated agent of the Tenant (when Tenant is a Corporation).

A Notice will be considered to have been given or made on the day that it is delivered, or, if mailed, provided postal service is not, or is not expected to be interrupted, three (3) days after the date of mailing. If there is more than one Tenant, it will suffice if the Landlord delivers or mails a Notice to only one of them. Service by electronic means (such as e-mail or facsimile) is not deemed to be valid service of Notice.

10.9 Registration

This Lease or any assignment or sublease or other document evidencing an interest of the Tenant or any other party in this Lease or the Leased Premises shall not be registered against title to the Lands. However, the Tenant may register a notice of lease or caveat describing the parties, the term, and options to renew, if any, but not the Rent or other financial details of this Lease and then only after the form and terms of such notice of lease or caveat have been approved in writing by the Landlord, the whole at the cost of the Tenant, including the cost of registration and providing a copy of such registration to the Landlord. The Tenant agrees that within thirty (30) days after the expiry of this Lease, the Tenant shall provide the Landlord with written proof that the notice of lease or caveat registered against title to the Lands has been removed.

10.10 Secured Claims

The Tenant will ensure that no Secured Claim is registered or filed against: (a) any part of the Building or the Lands; (b) the Landlord's or any Mortgagee's interest in any part of the Building or the Lands; or (c)

the Tenant's interest in the Leased Premises or any of the leasehold improvements in the Building by any Person claiming by, through, under or against the Tenant or its contractors or subcontractors. If a Secured Claim is registered or filed and the Tenant fails to promptly discharge it after receipt of notice from the Landlord, the Landlord may discharge the Secured Claim or notice of it by paying the amount claimed to be due into court (together with whatever additional amounts are required to be paid into court to obtain its removal) or directly to the holder of the Secured Claim and the Tenant will pay to the Landlord on demand all costs (including legal fees) incurred by the Landlord in connection with the Secured Claim.

10.11 Rules and Regulations.

The Tenant will comply with the Rules and Regulations passed and revised by the Landlord from time to time ("Rules and Regulations"). However, the Tenant will not be responsible for complying with any Rules and Regulations beyond those contained in Schedule "D", unless notice of them is first given to the Tenant.

10.12 Indemnifiers

In order to induce the Landlord to enter into this Lease and for other good and valuable consideration, the receipt and sufficiency whereof is hereby acknowledged, each of the Indemnifiers hereby jointly and severally guarantees that the Tenant shall duly perform, observe and keep each and every covenant, proviso, condition and agreement in the Lease on the part of the Tenant, including the payment of all rent and other sums and payments agreed to be paid or payable under the Lease, and that if any default shall be made by the Tenant, the Indemnifiers shall perform, observe and keep such covenants, provisos, conditions and agreements and in all events shall indemnify the Landlord for all damages that may arise in consequence of the non-observance or non-performance of any of the aid covenants, provisos, conditions or agreements. In the enforcement of its rights against the Indemnifiers, the Landlord may proceed against the Indemnifiers, or either of them, as if the Indemnifier were named tenant in the Lease and any notice of default given by the Landlord to the Tenant shall be deemed to have been given also to the Indemnifiers and the Landlord has the right to enforce its rights hereunder regardless of the acceptance of additional security from the Tenant and of any release or discharge of the Tenant by the Landlord or by others or by operation of any law. Each of the Indemnifiers waives any right to require the Landlord to proceed against the Tenant or any other guarantor, Indemnifier or surety of the Tenant's obligations under the Lease or to proceed against or exhaust any other security held from the Tenant or to pursue any other remedy whatsoever which may be available to the Landlord before proceeding against the Indemnifiers hereunder.

10.13 Force Majeure

Despite anything to the contrary, if the Landlord or the Tenant is, in good faith, prevented from doing anything required by this Lease because of Force Majeure, the doing of the thing is excused for the period of the Force Majeure and the party prevented will do what was prevented within the required period after the Force Majeure, but this does not excuse either party from payment of amounts they are required to pay at the times specified in this Lease.

10.14 Acceptance of Lease

The Tenant accepts this Lease of the Leased Premises to be held by it as Tenant, subject to the terms set out in this Lease.

10.15 Broker

The parties represent and warrant that no broker, agent or other intermediary introduced the parties or negotiated or was instrumental in negotiating or consummating this Lease.

10.16 Parking and Parking Lot

The Tenant specifically covenants and agrees that the Landlord shall not be responsible for any damage whatsoever which may be caused to any vehicles or contents thereof belonging to the Tenant, its employees, invitees and guests while any such vehicle is in or about the parking facilities. It is expressly agreed that the Tenant's vehicle(s) is/are upon the parking facilities at the Tenant's sole risk and that the Landlord shall not be responsible for any theft, loss or damage to any such vehicles, accessories or equipment, or to any goods, merchandise, effects, or contents contained therein, nor for damage or destruction by fire in whole or in part howsoever caused.

10.17 Planning Act

It is an express condition of this Lease that the provisions of the Planning Act of the City of Winnipeg, as amended, be complied with if applicable in law. Until any necessary consent to this Lease is obtained, if any, the Term (including any renewals thereof) and the Tenant's rights and entitlement granted by this Lease are deemed to extend for a period only of twenty-one (21) years less one (1) day from the Commencement Date of the Term. The Tenant shall apply diligently for any consent and the Tenant shall be responsible for the costs, expenses, taxes and levies imposed, charged or levied as a result of such application. The Tenant shall keep the Landlord informed, from time to time, of its progress in obtaining such consent and the Landlord shall cooperate with the Tenant in regard to such application.

Notwithstanding the foregoing provisions of this Section 10.17, the Landlord reserves the right at any time to apply for such consent in lieu of the Tenant (at the Tenant's expense) and the Tenant's application is hereby made subject to any application in which the Landlord may make.

10.18 Confidentiality

The Tenant shall not disclose to any Person, the financial or any other terms of this Lease, except to its professional advisers, consultants and auditors, if any, and except as required by law.

10.19 Arbitration

If any dispute shall occur between the parties hereto relating to the interpretation of this Lease or the implementation of any Section of this Lease, such dispute shall be resolved by arbitration. Such arbitration shall be conducted by a single arbitrator, if the parties can agree upon one, failing which such arbitrator shall be appointed by a Judge of the Superior Court of the Province of Manitoba, upon the application of any of the said parties and a Judge of the Superior Court of Manitoba shall be entitled to act as such arbitrator, if he or she so desires. The arbitration shall proceed in accordance with the provisions of The Arbitrations Act (Manitoba). The decision arrived at by the board of arbitration, howsoever constituted, shall be final and binding and no appeal shall lie therefrom.

10.20 No Relocation

Notwithstanding any other provision herein, the Landlord shall not be permitted to relocate the Tenant during the Lease Term including any extension(s) thereof.

10.21 Sale Terms


In the event that the Tenant exercises its option to purchase the Leased Premises as provided for in Section 12 of the Basic Terms, the purchase and sale transaction arising therefrom shall be completed according to the following terms:

- a) An Agreement of Purchase and Sale in the Manitoba Real Estate Association commercial real estate form utilized in Manitoba as of the month of the delivery of the Exercise Notice shall be deemed to have been entered into incorporating the terms set out herein;
- b) except as otherwise mutually agreed by the Landlord and the Tenant in writing, the closing of the purchase transaction contemplated by the Purchase Option shall take place sixty (60) days from the date of delivery or deemed deliver of the Exercise Notice ("**Closing Date**" or "**Closing**"), and there shall be no conditions to closing in favour of either party;
- c) title to the Leased Premises shall be in the same state as of the date hereof excluding any mortgage(s) currently registered against title to the Leased Premises, and any mortgage, additional security to same and such security and any new encumbrance arising after the date hereof with respect to the Landlords' interest in the Leased Premises shall be discharged and removed from title forthwith after Closing, out of sale proceeds. For clarification, attached hereto as Schedule "C" are the encumbrances which may be on title to the Leased Premises following Closing of the Purchase;
- d) the Purchase Price shall be subject to the usual adjustments;
- e) the transaction shall be completed on an "all cash" basis;


the purchase and sale transaction shall be governed by the terms of reasonable trust conditions approved by the Law Society of Manitoba, if any, and shall also be governed by the terms of reasonable trust conditions applicable to a commercial purchase and sale in the City of Winnipeg in the Province of Manitoba

THE PARTIES HAVE SIGNED BELOW to indicate their agreement.

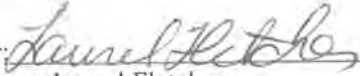
10026308 MANITOBA LTD.

Per: 
Name: James Fletcher
Title: A.S.O.
I have Authority to bind the corporation.

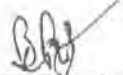
THE EDIBLES AND INFUSIONS CORPORATION

Per: 
Name: Barry Rotenberg
Title: A.S.O.
I have Authority to bind the corporation.

QUALITY CONFECTIONS CANADA

Per: 
Name: Laurel Fletcher
Title: A.S.O.
I have Authority to bind the corporation.

SUHM INVESTMENTS INC.

Per: 
Name: Barry Rotenberg
Title: A.S.O.
I have Authority to bind the corporation.

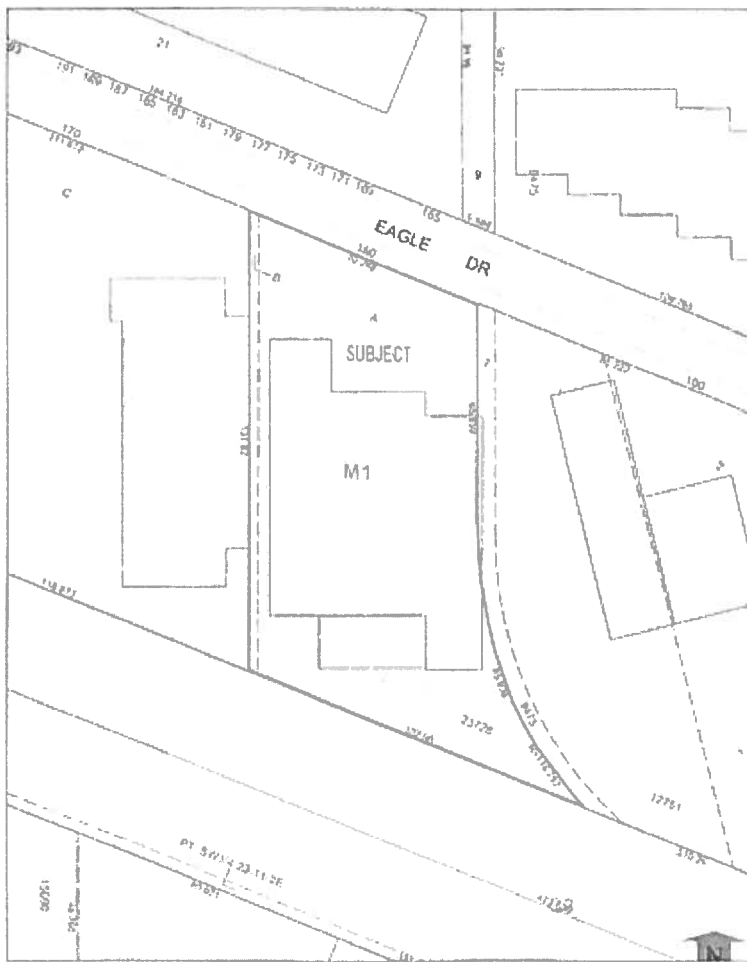
SCHEDULE "A"

PLANS OF LEASED PREMISES

Site Plan of the Building

Confidential Investment Summary
160 Eagle Drive

Zoning Map



SCHEDULE "B"

LEGAL DESCRIPTION OF LANDS

Parcels "A" and "B" Plan 23728 WLTO in SW $\frac{1}{4}$ 23-11-2 EPM

SCHEDULE "C"

ENCUMBRANCES

1. Caveat No. 80-64074/1
2. any mortgage, additional security to same and such security and any new encumbrance arising after the date hereof with respect to the Landlords' interest in the Leased Premises, which encumbrances shall be forthwith discharged from sale proceeds.

SCHEDULE "D"

RULES AND REGULATIONS

1. The Tenant shall not use the sidewalks, driveways and parking areas surrounding the Building for any other purpose than for ingress and egress to the Leased Premises and for parking facilities. The Tenant shall not place or allow to be placed upon the Lands or any waste paper, garbage or refuse or any other thing whatsoever that shall tend to make them appear unclean, untidy or filthy.
2. The water closets and other water apparatus shall not be used for any other purpose other than those for which they were constructed, and no sweepings, rubbish, rags, ashes or other substances shall be thrown therein, and any damage resulting to them from misuse shall be borne by the Tenant by whom or by whose employee the damage was caused.
3. No safes (unless required by Health Canada), machinery, equipment, heavy merchandise or anything liable to injure or destroy any part of the Building shall be taken into it without the consent of the Landlord in writing, and the Landlord shall in all cases retain the power to limit the weight and indicate the place where such safe or the like is to stand, and the cost of repairing any and all damage done to the Building by installing or removing such safe or the like, or during the time it is installed or on the Leased Premises shall be paid for on demand by the Tenant who so causes it. The Tenant shall not load any floor beyond its reasonable weight carrying capacity as set forth in the municipal or other codes applicable to the Building.
4. The Tenant shall not install or erect any receiving or transmitting antennas, dish or similar devices on the roof or any exterior walls of the Building or on the Lands without obtaining the prior written consent of the Landlord, which consent may not be unreasonably withheld.
5. No animals shall be kept in or about the Leased Premises.
6. The Tenant shall maintain the Leased Premises free of insects, rodents, vermin and other pests.
7. No one shall use the Leased Premises for sleeping apartments or residential purposes.
8. The Tenant must observe strict care not to allow the windows or doors of the Building to remain open so as to admit rain or snow, or so as to interfere with the heating of the Building. If the Tenant neglects this rule, it will be responsible for any damage caused. The Tenant, when closing offices for business, day or evening, shall close all windows and lock all doors.
9. The Tenant shall give to the Landlord prompt written notice of any accident or any defect in the water pipes, gas pipes, heating apparatus, or electric light, or other wires in any part of said Building.
10. No offensive odors shall be released by the Tenant's operation so as to affect the enjoyment of any other tenants in or around the Building.
11. Nothing shall be placed on the outside of windows or projections of the Leased Premises.

12. All glass, locks and trimmings in or upon the doors or windows of the Building shall be kept whole and whenever any part thereof shall become broken, the same shall be immediately replaced or repaired under the direction and to the satisfaction of the Landlord, and such replacements and repairs shall be paid for by the Tenant.
13. No person may enter upon the roof of the Building without the Landlord's written consent and any person entering upon the roof does so at their own risk.
14. The Tenant shall not install cooking apparatus in the Leased Premises other than for its business, provided that microwave ovens are permitted.
15. There shall be no smoking permitted in the Building at any time. Smoking outside the Building is permitted subject to applicable laws.
16. The Landlord shall have the right to make such other and further reasonable rules and regulations and to alter, amend or cancel all rules and regulations as in its judgment may from time to time be needed for the safety, care and cleanliness of the Building and for the preservation of good order therein and the same shall be kept and observed by the Tenant, and its employees. The Landlord may from time to time waive any of such rules and regulations.

SHARE EXCHANGE AGREEMENT

THIS SHARE EXCHANGE AGREEMENT is made as of the 22nd day of April, 2019 and is

AMONG

THE PERSONS IDENTIFIED ON SCHEDULE A TO THIS AGREEMENT AS THE SELLERS,

(together, the “**Sellers**”)

AND

POTLUCK POTIONS AND EDIBLES INC., a corporation incorporated under the laws of Canada

(“**Potluck**”)

AND

ORGANIC FLOWER INVESTMENTS GROUP INC., a corporation incorporated under the laws of the Province of British Columbia

(“**SOW**”)

RECITALS:

- A. The Sellers are the registered and beneficial owners of an aggregate of 10,000 Class A shares, representing 100% of the issued and outstanding shares of Potluck (the “**Subject Shares**”).
- B. SOW is a reporting issuer in the provinces of British Columbia, Alberta and Ontario with its common shares listed for trading on the Canadian Securities Exchange.
- C. The Sellers wish to sell to SOW, and SOW wishes to purchase from the Sellers, 80% of the Subject Shares (the “**Purchased Shares**”) on the terms and conditions set forth in this Agreement.
- D. Potluck is party to an binding letter of intent dated April 22, 2019 (the “**LOI**”) for an exclusive cannabinoid-infused beverage supply agreement (the “**Beverage Supply Agreement**”) with Hatch Beverage Company, Ltd. (“**Hatch**”) whereby, subject to obtaining applicable licenses, Hatch will supply and distribute a suite of cannabinoid-infused beverages (the “**Beverage Business**”).

IN CONSIDERATION of the premises and mutual covenants hereinafter contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the parties hereto, the parties agree with one another as follows:

1. Definitions and Interpretation

1.1 *Definitions.* Whenever used in this Agreement, the following words and terms will have the respective meanings ascribed to them below:

1.1.1 “**Agreement**” means this Share Exchange Agreement, all of the Schedules to this Share Exchange Agreement and all instruments supplemental to or in amendment or confirmation of this Share Exchange Agreement.

1.1.2 “**Assets**” means the undertaking, property and assets of Potluck or SOW, as the case may be, as a going concern of every kind and description, wheresoever situated.

1.1.3 “**Business**” means in the case of SOW, as applicable, its current business as presently conducted, as disclosed in the SOW Public Record.

1.1.4 “**Closing**” means the completion of the purchase and sale of the Purchased Shares pursuant to this Agreement.

1.1.5 “**Closing Date**” means the date on which the purchase and sale of all of the issued and outstanding Purchased Shares is completed, which shall be the date mutually agreed by Potluck and SOW, but in no event earlier than the execution of the Beverage Supply Agreement.

1.1.6 “**Closing Time**” means 10:00 a.m. (Toronto time) on the Closing Date or such other time on such date as the parties may agree as the time at which the Closing will take place.

1.1.7 “**Damages**” has the meaning given in Section 6.1.

1.1.8 “**Encumbrance**” means any lien, pledge, hypothecation, charge, mortgage, security interest, encumbrance, claim, infringement, interference, option, right of first refusal, pre-emptive right, community property interest or restriction of any nature (including any restriction on the voting of any security, any restriction on the transfer of any security or other asset, any restriction on the receipt of any income derived from any asset, any restriction on the use of any asset and any restriction on the possession, exercise or transfer of any other attribute of ownership of any asset).

1.1.9 “**Exchange**” means the Canadian Securities Exchange.

1.1.10 “**Governmental Authority**” means any federal, provincial, state, municipal, county or regional government or governmental authority, domestic or foreign and includes any department, commission, board, administrative agency or regulatory body thereof.

1.1.11 “**IFRS**” means International Financial Reporting Standards.

- 1.1.12 “**Intellectual Property Rights**” means all patents and inventions, trademarks, trade names and styles, logos and designs, service marks, trade dress, industrial designs, internet domain names, world wide websites, website names, electronic mail addresses, copyrights, trade secrets, technical information, engineering procedures, designs, know-how and processes (whether confidential or otherwise), software, other industrial property (including applications for any of these) and other similar rights and properties.
- 1.1.13 “**Potluck Shares**” means the Class A shares in the capital of Potluck as they are presently constituted.
- 1.1.14 “**Payment Shares**” has the meaning given in Section 2.2.
- 1.1.15 “**Person**” includes an individual, corporation, partnership, joint venture, trust, unincorporated organization, the Crown or any agency or instrumentality thereof or any other juridical entity.
- 1.1.16 “**Purchase Price**” has the meaning given in Section 2.2.
- 1.1.17 “**Purchased Shares**” has the meaning given in the recitals above.
- 1.1.18 “**SEDAR**” means the System for Electronic Document Analysis and Retrieval.
- 1.1.19 “**SOW Financial Statements**” means the audited consolidated financial statements of SOW for the fiscal years ended June 30, 2018 and June 30, 2017, and the unaudited consolidated financial statements of SOW for the period ended December 31, 2018, copies of which have been filed by SOW on SEDAR.
- 1.1.20 “**SOW Public Record**” means all publicly available press releases, material change reports, annual information forms, information circulars, financial statements and other documents that have been disclosed by SOW to the public and filed with any applicable Canadian or other securities regulatory authority or otherwise posted on SEDAR.
- 1.1.21 “**SOW Shares**” means the common shares in the capital of SOW as they are presently constituted.
- 1.1.22 “**Subsidiary**” means, with respect to a specified body corporate, any body corporate of which more than 50% of the outstanding shares ordinarily entitled to elect a majority of the board of directors thereof (whether or not shares of any other class or classes will or might be entitled to vote upon the happening of any event or contingency) are at the time owned directly or indirectly by such specified body corporate and will include any body corporate, partnership, joint venture or other entity over which it exercises direction or control.
- 1.1.23 “**Taxes**” means all levies and assessments imposed by any Governmental Authority, including but not limited to all income, sales, use, ad valorem, value

added, franchise, withholding, payroll, employment, excise or property taxes, together with any applicable interest or penalty.

- 1.2 *Gender and Number.* In this Agreement, words importing the singular include the plural and vice versa and words importing gender include all genders.
- 1.3 *Article and Section Headings.* Article and Section headings contained in this Agreement are included solely for convenience, are not intended to be full or accurate descriptions of the content of any Article or Section and will not be considered to be part of this Agreement.
- 1.4 *Schedules.* The following Schedules are an integral part of this Agreement:

Schedule A – The Sellers, Purchased Shares and Payment Shares
- 1.5 *Accounting Terms.* Unless otherwise indicated, all accounting terms not otherwise defined have the meanings assigned to them, and all calculations are to be made and all financial data to be submitted are to be prepared, in accordance with IFRS.
- 1.6 *Arm's Length.* For purposes of this Agreement, Persons are not dealing “at arm’s length” with one another if they would not be considered to be dealing at arm’s length with one another for purposes of the *Income Tax Act* (Canada) (the “**Tax Act**”), as amended.
- 1.7 *Statutory Instruments.* Unless otherwise specifically provided in this Agreement, any reference in this Agreement to any law, by law, rule, regulation, order, act or statute of any government, Governmental Authority or other regulatory body will be construed as a reference to those as amended or re-enacted from time to time or as a reference to any successor thereof.

2. Purchase and Sale

- 2.1 *Purchased Shares.* Upon and subject to the terms of this Agreement, the Sellers agree to sell, assign and transfer, free and clear of all Encumbrances, and SOW agrees to purchase, all of the Purchased Shares, as at the Closing Time on the Closing Date, in accordance with subsection 2.3.1 below.
- 2.2 *Purchase Price.* The aggregate purchase price (the “**Purchase Price**”) payable by SOW to the Sellers for the Purchased Shares shall be the issuance to the Sellers of an aggregate of 16 million SOW Shares (the “**Payment Shares**”) as fully paid and non-assessable. The Payment Shares will be issued to the Sellers as to:
 - 2.2.1 the initial 10 million Payment Shares on execution of the Beverage Supply Agreement (the “**Initial Payment Shares**”). The Initial Payment Shares shall be indefeasibly issued to the Sellers regardless of whether the Milestone Shares are issued or not with SOW not being able to avail itself to a right of rescission or any other common law or equitable remedies with respect to the issuance of the Initial Payment Shares if the Milestone Shares are not issued;

- 2.2.2 the remaining 6 million Payment Shares (the “**Milestone Shares**”) upon Hatch being granted relevant or applicable licenses from Health Canada for purposes of operating the Beverage Business as contemplated in the Beverage Supply Agreement. The Payment Shares will be allocated among the Sellers as set forth in Schedule A. The Sellers make no representations, warranties or guarantees of any kind whatsoever, whether oral or written or implied or express, that Health Canada will grant the relevant or applicable licenses or grant the relevant and applicable licenses at the desired times. All risk of loss with respect to the conditions required to issue the Milestone Shares shall be borne by Potluck and not the Sellers after the earlier of the Closing Date or the termination of this Agreement;
 - 2.2.3 When issued, all of the Initial Payment Shares will be subject to a hold period of six months from the date of issuance; and
 - 2.2.4 The Milestone Shares subject to a four (4) month plus one (1) day statutory hold period.
- 2.3 *Acknowledgements and Agreements of the Sellers.* Each of the Sellers acknowledges and agrees as follows with respect to the sale of the Purchased Shares and the receipt of the Payment Shares by such Seller pursuant to this Agreement:
- 2.3.1 Effective as at the Closing Time (i) the Sellers shall be deemed to have sold, assigned and transferred the Purchased Shares to SOW, (ii) SOW shall be delivered one or more share certificates registered as directed by SOW representing the total number of Purchased Shares, (iii) the Payment Shares shall be issued to the Sellers, allocated among the Sellers pursuant to section 2.2 above, and evidenced by certificates delivered to the Sellers representing the Payment Shares and registered in accordance with the written instructions of the Sellers, to be provided no later than two (2) business days prior to the Closing Date, and (iv) any certificates representing the Purchased Shares held by the Sellers shall be cancelled and thereafter shall be of no further force or effect.
 - 2.3.2 Such Seller has been independently advised as to the applicable hold periods imposed in respect of the Payment Shares by the securities legislation in the jurisdiction in which such Seller resides, and such Seller confirms that no representation has been made respecting the applicable hold periods for the Payment Shares and that such Seller is aware of the risks and other characteristics of the Payment Shares and of the fact that such Seller may not resell the Payment Shares except in accordance with applicable securities legislation and regulatory policy until expiry of the applicable hold periods and compliance with the other requirements of applicable law. Such Seller acknowledges that the certificates representing the Payment Shares will contain legends denoting the applicable resale restrictions, if any, and such Seller will not resell the Payment Shares except in accordance with the provisions of applicable securities legislation and Exchange rules.

- 2.3.3 Such Seller has been advised that no prospectus has been filed in connection with the issuance and granting of the Payment Shares and as the Payment Shares are being issued and granted to the Sellers pursuant to exemptions from the prospectus requirements of applicable securities laws:
- (a) most of the civil remedies applicable to the issuance and granting of securities by way of prospectus provided for in such laws are not available to such Seller;
 - (b) such Seller may not receive information that would be provided if no such exemptions were available; and
 - (c) SOW is relieved of certain obligations in respect of offerings by way of prospectus which would otherwise apply under applicable securities laws.
- 2.3.4 Such Seller will comply with any requirements imposed by the Exchange or securities legislation as a result of the shareholdings of such Seller in SOW exceeding certain thresholds, such requirements to include, without limitation, the filing of insider and early warning reports under applicable Canadian securities laws.

3. Representations and Warranties

- 3.1 *Representations and Warranties of Potluck.* Potluck represents, warrants and covenants to SOW as follows, and acknowledges that SOW is relying on these representations, warranties and covenants in entering into this Agreement and in completing the transactions contemplated hereby:
- 3.1.1 **Organization and Good Standing** – Potluck is duly incorporated or organized and validly existing under the laws of Canada.
 - 3.1.2 **Bankruptcy** – No bankruptcy, insolvency or receivership proceedings have been instituted or are pending against Potluck, and Potluck is able to satisfy its liabilities as they become due.
 - 3.1.3 **Due Authorization** – Potluck has all necessary power, authority and capacity to enter into this Agreement and to perform its obligations under this Agreement. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all necessary action on the part of Potluck.
 - 3.1.4 **Authorized and Issued Capital** – The authorized capital of Potluck consists only of an unlimited number of Class A shares and Class B shares of which at the Closing Time only 10,000 Potluck Shares (and no more or other classes of shares or other securities) will have been validly issued and outstanding, and as fully paid and non-assessable. The Sellers are the registered owners of all of the Purchased Shares and the Purchased Shares are held by them as set out in Schedule A.

- 3.1.5 No Options - No Person has any agreement or option or any right (whether by law, pre-emptive or contractual and including convertible securities, warrants or convertible obligations of any nature) for the purchase or the issue of either the Purchased Shares or any unissued shares in the capital stock of Potluck.
 - 3.1.6 Enforceability of Obligations – This Agreement constitutes a valid and binding obligation of Potluck enforceable against Potluck in accordance with its terms, provided that enforcement may be limited by bankruptcy, insolvency, liquidation, reorganization, reconstruction and other similar laws generally affecting enforceability of creditors’ rights and that equitable remedies such as specific performance and injunction are in the discretion of the court from which they are sought.
 - 3.1.7 Subsidiaries – Potluck does not have any Subsidiaries.
 - 3.1.8 Assets - Potluck is party to the LOI. The execution and delivery of this Agreement and the performance by Potluck and the Sellers, and their respective obligations hereunder, do not and will not result in or constitute a breach of any term or provision of, or constitute a default, under the LOI or constitute an event which would permit Hatch to terminate the LOI or to accelerate other obligations of Potluck.
 - 3.1.9 No Other Liabilities – There are no liabilities, contingent or otherwise, of Potluck which are not disclosed to SOW. Potluck has not guaranteed, or agreed to guarantee, any debt, liability or other obligation of any Person. There are no liabilities of any Person capable of creating an Encumbrance on any of Potluck’s Assets.
 - 3.1.10 Litigation (Potluck) – There is no suit, action, litigation, arbitration proceeding or governmental proceeding, including appeals and applications for review, in progress, pending or to the knowledge of Potluck, threatened against or relating to Potluck. There is not presently outstanding against Potluck any judgement, decree, injunction, rule or order of any court, Governmental Authority, commission, agency, instrumentality or arbitrator which could, in the aggregate, be reasonably be expected to have a materially adverse effect with respect to Potluck, taken as a whole.
- 3.2 *Representations and Warranties of the Sellers:* Each Seller severally (and not jointly or jointly and severally) makes the following representations and warranties to SOW and acknowledges that SOW is relying on such representations and warranties in entering into this Agreement and in completing the transactions contemplated under this Agreement:
- 3.2.1 The Purchased Shares – Such Seller is the legal and beneficial owner of the number of Purchased Shares shown as held by such Seller on Schedule A and on Closing SOW will acquire good and marketable title to such Purchased Shares free and clear of all Encumbrances.

- 3.2.2 No Option - No Person has any agreement or option or any right (whether by law, pre-emptive or contractual and including convertible securities, warrants or convertible obligations of any nature) for the purchase or the issue of the Purchased Shares.
- 3.2.3 Litigation (Shares) – There is no suit, action, litigation, arbitration proceeding or governmental proceeding, including appeals and applications for review, in progress, pending or threatened against such Seller relating to the Purchased Shares.
- 3.2.4 Enforceability of Obligations – When executed and delivered, this Agreement will constitute valid and legally binding obligations enforceable against such Seller in accordance with its terms subject, however, to limitations with respect to enforcement imposed by law in connection with bankruptcy or similar proceedings and to the extent that equitable remedies such as specific performance and injunction are in the discretion of the court from which they are sought.
- 3.2.5 Residence – Such Seller is resident in the jurisdiction set out opposite its name on Schedule A.
- 3.2.6 Corporate Seller – If the Seller is a corporation:
 - (a) it is duly incorporated or organized and validly existing in its jurisdiction of incorporation and is in good standing with respect to the filing of annual reports; and
 - (b) it has all necessary power, authority and capacity to enter into this Agreement and to perform its obligations under this Agreement; and the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all necessary action on the part of such Seller.
- 3.3 *Representations and Warranties of SOW.* SOW hereby represents, warrants and covenants to Potluck and the Sellers as follows and acknowledges that Potluck and the Sellers are relying on these representations, warranties and covenants in entering into this Agreement and in completing the transactions contemplated under this Agreement:
 - 3.3.1 Organization and Good Standing – SOW is duly incorporated or organized and validly existing under the laws of the Province of British Columbia, Canada.
 - 3.3.2 Bankruptcy – No bankruptcy, insolvency or receivership proceedings have been instituted or are pending against SOW, and SOW is able to satisfy its liabilities as they become due.
 - 3.3.3 Capacity to Carry on Business – SOW has all necessary corporate power, authority and capacity to own its Assets and to carry on its business as presently owned and carried on by it and SOW is duly licensed, registered and qualified as a corporation to do business and is in good standing in each jurisdiction in which the nature of its business makes such qualification necessary.

- 3.3.4 Due Authorization – SOW has all necessary power, authority and capacity to enter into this Agreement and to perform its obligations under this Agreement. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all necessary action on the part of SOW.
- 3.3.5 Authorized and Issued Capital – The authorized capital of SOW consists of an unlimited number of common shares, of which 201,125,867 SOW Shares have been validly issued and are outstanding as fully paid and non-assessable.
- 3.3.6 Absence of Conflicting Agreements – The execution and delivery of this Agreement and the performance by SOW and its obligations hereunder do not and will not:
- (a) result in the violation of any applicable laws;
 - (b) result in or constitute a breach of any term or provision of, or constitute a default under, any constating documents of SOW or any agreement to which SOW is a party or its Assets are bound; or
 - (c) constitute an event which would permit any party to any agreement with SOW to terminate such agreement or to accelerate the maturity of any indebtedness or other obligation of SOW.
- 3.3.7 Consents – There are no consents, authorizations, licenses, agreements, permits, approvals or orders of any Person or Governmental Authority required to permit SOW to complete the transactions contemplated by this Agreement other than those that have already been obtained by SOW and disclosed by SOW to Potluck.
- 3.3.8 Rights and Privileges – There are no rights, privileges or advantages presently enjoyed by SOW which might be lost as a result of the consummation of the transactions contemplated under this Agreement.
- 3.3.9 Enforceability of Obligations – This Agreement constitutes a valid and binding obligation of SOW enforceable against SOW in accordance with its terms, provided that enforcement may be limited by bankruptcy, insolvency, liquidation, reorganization, reconstruction and other similar laws generally affecting enforceability of creditors' rights and that equitable remedies such as specific performance and injunction are in the discretion of the court from which they are sought.
- 3.3.10 Books and Records – The books and records of SOW are fully and accurately maintained and its books of account provide for all excise, sales, business and property taxes and other rates, charges, assessments, levies, duties, taxes, contributions, fees, licenses and other governmental charges of whatsoever kind and nature that have become due and payable or, to the extent such amount is material, that may become due and payable before the Closing Time. The minute books of SOW are complete and accurate in all material respects and reflect all

material actions taken and resolutions passed by the directors and shareholders, as the case may be, of SOW, since the date of incorporation or organization.

3.3.11 Financial Statements – The SOW Financial Statements are true and correct in every material respect and present fairly the Assets, liabilities and financial position of SOW as at December 31, 2018, and the results of its operations to that date, in accordance with IFRS applied on a basis consistent with that of previous periods.

3.3.12 The Payment Shares – On Closing the Payment Shares:

- (a) will be issued to the Sellers as fully paid and non-assessable SOW Shares;
- (b) will be duly registered in the names of the Sellers in the books and registers of SOW; and
- (c) will be conditionally approved for listing and posting for trading on the Exchange, subject only to satisfying any conditions stipulated by the Exchange for listing.

3.3.13 SOW Public Record – The SOW Public Record is, in all material respects, accurate and complete and omits no facts, the omission of which makes the SOW Public Record or any particulars therein, materially misleading or incorrect at the time such statements were made. SOW has not filed any confidential material change reports which are, as of the date of this Agreement, maintained on a confidential basis. Except as disclosed in the SOW Public Record, there is no fact known to SOW which has, or so far as SOW which has, or so far as SOW can reasonably foresee, will have a material adverse effect, or which would otherwise be material to any person intending to make an investment in SOW.

3.4 *Survival.* The representations, warranties and covenants made by the parties in sections 3.1, 3.2, and 3.3 shall terminate (and be of no further force or effect) on the earlier of: (a) the termination of this Agreement in accordance with its terms; and (b) the Closing Time.

4. Covenants

4.1 *Covenants of Potluck and the Sellers.* Until the earlier of the Closing Time or the termination of this Agreement in accordance with its terms, each of the Sellers and Potluck severally (and not jointly or jointly and severally) hereby covenants and agrees with SOW as follows:

4.1.1 *Necessary Consents.* The Sellers and Potluck shall use commercially reasonable efforts to obtain all approvals or consents as are required to complete the transactions contemplated by this Agreement, including those of the directors and shareholders of Potluck or any applicable Governmental Authority; and if applicable, of Hatch with respect to the Beverage Supply Agreement.

- 4.1.2 *Satisfaction of Conditions Precedent.* Each of the Sellers and Potluck shall use commercially reasonable efforts to satisfy or cause to be satisfied the conditions precedent in Section 5.3, which are within his, her or its control.
- 4.1.3 *All other Actions.* The Sellers and Potluck shall cooperate fully with SOW, and will use all commercially reasonable efforts to assist SOW in its efforts to complete the transactions contemplated by this Agreement, unless such cooperation and efforts would subject the Sellers or Potluck to any extraordinary cost or liability or would be in breach of any applicable statutory or regulatory requirements.
- 4.2 *Covenants of SOW.* SOW hereby covenants and agrees with the Sellers and Potluck as follows:
 - 4.2.1 *Necessary Consents.* SOW shall use commercially reasonable efforts to obtain all approvals or consents as are required to complete the transactions contemplated by this Agreement, including those of the directors and shareholders of SOW, the Exchange or any applicable Governmental Authority.
 - 4.2.2 *Satisfaction of Conditions Precedent.* SOW shall use commercially reasonable efforts to satisfy or cause to be satisfied the conditions in section 5.1 which are within its control.
 - 4.2.3 *All other Actions.* SOW shall cooperate fully with the Sellers and Potluck and will use all commercially reasonable efforts to assist the Sellers and Potluck in their efforts to complete the transactions contemplated by this Agreement, unless such cooperation and efforts would subject SOW to any extraordinary cost or liability or would be in breach of any applicable statutory or regulatory requirements.
 - 4.2.4 *Material Changes.* SOW shall promptly advise Potluck in writing of any event, change or development that has or is reasonably expected to have an adverse effect in respect of the SOW or the transactions contemplated hereunder.
 - 4.2.5 *Funding of Beverage Business.* Subsequent to Closing and SOW owning 80% of the issued and outstanding capital of Potluck, SOW shall fund 100% of the costs in connection with Potluck's obligations under the Beverage Supply Agreement.

5. Conditions Precedent

- 5.1 *Conditions Precedent for the Benefit of Potluck and the Sellers.* The obligation of Potluck and each of the Sellers to complete the transactions contemplated by this Agreement are subject to the satisfaction of, or compliance with, at or before the Closing Time, each of the following conditions precedent (each of which is hereby acknowledged to be inserted for the exclusive benefit of Potluck and each of the Sellers and may be waived by him, her or it in whole or in part):
 - 5.1.1 *Truth of Representations and Warranties –* The representations and warranties of SOW contained in this Agreement will be true and correct on and as of the Closing Date as though made at and as of the Closing Date.

- 5.1.2 Covenants and Agreements –SOW will have satisfied and complied with all covenants and agreements in this Agreement agreed to be performed or caused to be performed by SOW on or before the Closing Time.
 - 5.1.3 Consents – All consents, approvals, orders and authorizations of or from Governmental Authorities or the Exchange required in connection with the completion of the transactions contemplated by this Agreement will have been obtained on or before the Closing Time on terms and conditions satisfactory to Potluck, including the conditional approval of the listing of the Payment Shares.
 - 5.1.4 No Material Adverse Change – No material adverse change (nor any condition, event or development involving a prospective material adverse change) shall have occurred in the Business, Assets, operations, capital or financial condition of SOW.
 - 5.1.5 Closing Documents – SOW will have tendered the documents to be delivered by it at Closing in accordance with this Agreement.
 - 5.1.6 Shareholders Agreement – The Sellers and SOW shall have entered into a shareholders’ agreement with respect to their ownership of Potluck and the management of its affairs.
- 5.2 *Non-satisfaction of Conditions.* If any of the conditions set forth in Section 5.1 are not fulfilled or waived to the reasonable satisfaction of Potluck and each of the Sellers, Potluck and each of the Sellers may, acting reasonably, terminate this Agreement by notice in writing to SOW. In such event, Potluck and each of the Sellers will be released from all obligations under this Agreement and SOW will also be so released unless they were reasonably capable of causing such condition or conditions to be fulfilled or they have breached any of their representations, warranties, covenants or agreements in this Agreement.
- 5.3 *Conditions Precedent for the Benefit of SOW.* The obligations of SOW to complete the transactions contemplated by this Agreement are subject to the satisfaction of, or compliance with, at or before the Closing Time, each of the following conditions precedent (each of which is hereby acknowledged to be inserted for the exclusive benefit of SOW and may be waived by it in whole or in part):
- 5.3.1 Truth of Representations and Warranties – The representations and warranties of Potluck and each of the Sellers contained in this Agreement will be true and correct on and as of the Closing Date as though made at and as of the Closing Date.
 - 5.3.2 Covenants and Agreements – Each of Potluck and the Sellers will have complied with all covenants and agreements in this Agreement agreed to be performed or caused to be performed by it on or before the Closing Time.
 - 5.3.3 Consents – All consents, approvals, orders and authorizations of or from Governmental Authorities or the Exchange required in connection with the completion of the transactions contemplated by this Agreement will have been obtained on or before the Closing Time on terms and conditions satisfactory SOW,

including the approval of Hatch in connection with the LOI or the Beverage Supply Agreement, if applicable.

- 5.3.4 No Material Adverse Change – No material adverse change (nor any condition, event or development involving a prospective material adverse change) shall have occurred in the Business, Assets, operations, capital or financial condition of Potluck.
- 5.3.5 Closing Documents – Potluck and each of the Sellers will have tendered the documents to be delivered by it at Closing in accordance with this Agreement, including without limitation, the tender of all of the Purchased Shares.
- 5.4 *Non-satisfaction of Conditions.* If any of the conditions set forth in Section 5.3 are not fulfilled or waived to the reasonable satisfaction of SOW, SOW may, acting reasonably, terminate this Agreement by notice in writing to Potluck and each of the Sellers. In such event SOW will be released from all obligations under this Agreement and Potluck and each of the Sellers will also be so released unless it was reasonably capable of causing such condition or conditions to be fulfilled or it has breached any of its representations, warranties, covenants or agreements in this Agreement.
- 5.5 *Waivers.* Each of the parties on his, her or its behalf, may waive any condition for his, her or its' benefit in this Agreement, in whole or in part, without prejudice to any right of rescission or any other right in the event of the non-fulfilment of any other condition or conditions. A waiver will only be binding if it is in writing.

6. Indemnification

- 6.1 *Indemnification by SOW.* SOW agrees to indemnify and save harmless Potluck from and against any and all losses, debts, obligations, liabilities, expenses, costs and damages (including reasonable legal fees) (collectively, the “**Damages**”) suffered or incurred by Potluck as a result of any breach of, or untruth of, any of the covenants, warranties or representations contained in section 3.3 and 4.2 of this Agreement.
- 6.2 *Indemnification by Potluck and each of the Sellers.* Potluck and each of the Sellers agree to indemnify and save harmless SOW from and against any and all Damages suffered or incurred by SOW as a result of any breach of, or untruth of, any of the covenants, warranties or representations contained in section 3.1, 3.2 or 4.1 of this Agreement.

7. Closing Arrangements

- 7.1 The closing of this transaction shall take place at the offices of SOW on the Closing Date.
- 7.2 On the Closing Date, Potluck and each of the Sellers shall deliver, or cause to be delivered, to SOW such documents as may reasonably be required to perfect the transactions contemplated by this Agreement and SOW shall deliver, or cause to be delivered, to Potluck and the Sellers such documents as may reasonably be required to perfect the transactions contemplated by this agreement.

8. Notices

8.1 *Delivery of Notice.* Any notice, direction or other instrument required or permitted to be given by any party under this Agreement will be in writing and will be sufficiently given if delivered personally or by courier, or transmitted by fax or email means during the transmission of which no indication of failure of receipt is communicated to the sender:

8.1.1 in the case of Potluck and the Sellers:

69 Yonge street, #17069
Toronto, Ontario M5E 1K3

Attention: Chief Operating Officer

8.1.2 in the case of SOW:

Organic Flower Investments Group Inc.
Suite 810-789 West Pender Street
Vancouver, British Columbia V6C 1H2

Attention: Chief Financial Officer
Email: theo@pashleth.com

8.2 *Receipt of Notice.* Any such notice, direction or other instrument, if delivered personally, will be deemed to have been given and received on the date on which it was received at such address and, if sent by fax or email, will be deemed to have been given and received on the date of transmission in accordance with this Section.

9. Termination

9.1 *Grounds for Termination.* This Agreement may be terminated at any time before the Closing:

9.1.1 by the mutual agreement of SOW and Potluck;

9.1.2 by either Potluck or SOW if it is not in material breach of its obligations under this Agreement, and if there has been a breach by the other of any of its representations and warranties or covenants hereunder and in either case such breach has not been cured within ten days after written notice, specifying such breach, to such Party; or

9.1.3 by SOW or Potluck if the Closing Date is not on or before June 30, 2019 or such later date as may be agreed in writing by SOW and Potluck.

9.2 *Effect of Termination.* If this Agreement is terminated as provided in Section 9.1, it will, except as provided herein, forthwith become void, and, subject to Sections 3.4, 5.2 and 5.4 none of the parties or their respective officers, directors, employees, agents, or shareholders

will have any liability or obligation with respect to the terminated provisions of the Agreement. Sections 3.4, 5.2, 5.4, 11.3 and 11.4 will survive termination of this Agreement and will continue to be in effect notwithstanding the termination of this Agreement.

10. Power of Attorney

- 10.1 Each of the Sellers hereby severally and irrevocably appoints Potluck as their attorney to take any action that is required and hereby authorizes any director or officer of Potluck, on behalf of Potluck, to sign any documents on their behalf, including without limitation, for the purposes of all Closing matters and deliveries of documents and to do and cause to be done all such acts and things as may be necessary or desirable in connection with the transactions contemplated hereunder, including the sale, assignment and transfer of the Purchased Shares to SOW. Without limiting the generality of the foregoing, Potluck may, on behalf of itself and the Sellers, extend the Time of Closing, modify or waive such conditions as are contemplated herein, negotiate, settle and deliver the final forms of this Agreement and any other documents that are necessary or desirable to give effect to the transactions contemplated herein.

11. General Provisions

- 11.1 *Entire Agreement.* This Agreement, including all the Schedules hereto, together with the agreements and other documents to be delivered pursuant hereto, constitutes the entire agreement among the parties pertaining to the subject matter hereof and supersedes any and all prior agreements, understandings, negotiations and discussions, whether oral or written, of the parties and there are no warranties, representations or other agreements among the parties in connection with the subject matter hereof except as specifically set forth herein and therein.
- 11.2 *Costs and Expenses.* Each party shall be responsible for its' respective costs and expenses in connection with the transactions contemplated herein.
- 11.3 *Confidentiality.* Until the Closing Time, and in the event of the termination of this Agreement without consummation of the transactions contemplated by this Agreement, for a period of two years from the date of this Agreement, each party to this Agreement will keep confidential any information obtained from the other parties, provided that a party may disclose confidential information (i) to those of its representatives and professional advisors who have a need to know the information in connection with providing advice with respect to this Agreement and the transactions contemplated thereby if such representatives and advisors commit to protect such information in a manner consistent herewith or (ii) if such disclosure is required by law or the rules of the Exchange or over Governmental Authority or (iii) if such information has been made public other than as a result of a breach of this Section. If this Agreement is terminated without consummation of the transactions contemplated thereby, promptly after such termination all documents, work papers and other written material obtained from a party in connection with this Agreement and not theretofore made public (including all copies and photocopies thereof), shall be returned to the party that provided such material.

- 11.4 *Public Announcements.* Neither SOW nor Potluck will, without the prior consent of the others, make any disclosure regarding the existence, purpose, scope, content, terms or conditions of this Agreement or other agreements relating to this Agreement except in order to comply with a legal obligation, the requirements of a competent Government Authority or the requirements of the Exchange; provided that, where practicable, a copy of any proposed announcement or statement will be furnished to the other parties in advance of the proposed date of publication. Nothing herein will prevent disclosure of the terms of this Agreement to a corporate party's directors, officers, employees or agents or its financial, legal, accounting or other advisors.
- 11.5 *Waiver.* The failure of a party in any one or more instances to insist upon strict performance of any of the terms of this Agreement or to exercise any right or privilege arising under it will not preclude it from requiring by reasonable notice that any other party duly perform its obligations or preclude it from exercising such a right or privilege under reasonable circumstances, nor will waiver in any one instance of a breach be construed as an amendment of this Agreement or waiver of any later breach.
- 11.6 *Assignment.* None of the parties will assign, transfer, charge or otherwise encumber the benefit (or any part thereof) or the burden (or any part thereof) of this Agreement without the prior written consent of the other parties, such consent not to be unreasonably withheld.
- 11.7 *Further Assurances.* Each of the parties hereto will from time to time at the request of any of the other parties hereto and without further consideration, execute and deliver all such other additional assignments, transfers, instruments, notices, releases and other documents and will do all such other acts and things as may be necessary or desirable to assure more fully the consummation of the transactions contemplated hereby.
- 11.8 *Time.* Time will be of the essence of this Agreement.
- 11.9 *Amendment.* This Agreement may be amended or varied only by agreement in writing signed by each of the parties. Unless the context otherwise so requires, a reference to this Agreement includes a reference to this Agreement as amended or varied from time to time.
- 11.10 *Several.* Unless otherwise provided, each and every covenant, representation or warranty of the Sellers contained herein is several (and not joint or joint and several).
- 11.11 *Severability.* If any provision of this Agreement is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability will attach only to such provision or part thereof and the remaining part of such provision and all other provisions hereof will continue in full force and effect.
- 11.12 *Governing Law.* This Agreement will be governed by and interpreted in accordance with the laws from time to time in force in the Province of Ontario and each of the parties hereby attorns to the non-exclusive jurisdiction of the courts of the Province of Ontario, sitting in Toronto.
- 11.13 *Benefit of Agreement.* This Agreement will enure to the benefit of and be binding upon each of the parties hereto who is a corporation and their respective successors and permitted

assigns and upon each of the parties hereto who is an individual and their respective executors, personal representatives, heirs, successors and permitted assigns.

11.14 *Counterparts.* This Agreement may be executed in as many counterparts as are necessary. It will be binding on each party when each party hereto has signed and delivered one such counterpart. Delivery may be made by facsimile or other electronic transmission. When a counterpart of this Agreement has been executed by each party, all counterparts together will constitute one agreement.

12. Section 85 Election

12.1 It is intended that the transfer hereunder of the Purchased Shares be on a tax deferred basis to the Sellers for purposes of the Tax Act and applicable provincial income tax statutes. In order to give effect to this intention, the Sellers and SOW shall, in a timely manner, jointly execute and file elections under Section 85 of the Tax Act in prescribed form and elections in prescribed form under the corresponding provisions of applicable provincial income tax statutes in respect of the transfer hereunder of the Purchased Shares. The elected amounts (the “**Elected Amounts**”) for purposes of each such election will be determined by the Sellers in a manner consistent with the above-described intention.

12.2 If the Sellers and SOW subsequently mutually determine, or if the Canada Revenue Agency or any other taxing authority issues, or proposes to issue, assessments or reassessments of additional liability for taxes or in respect of any other matter by reason of asserting that an elected amount is more or less than the Elected Amounts for the Purchased Shares as determined by the Sellers, then the Elected Amounts shall be increased or decreased as necessary but only to the extent that the Elected Amounts so revised is acceptable to the parties hereto, as the case may be, or is established by a court of competent jurisdiction (after all appeal rights have been exhausted or all time periods for appeal have expired without appeals having been taken) to be the Elected Amounts, as the case may be.

12.3 If an Elected Amount is varied in the circumstances described in Section 12.2 above, the Sellers and SOW shall file a revised election(s) under the provisions of subsection 85(1) of the Tax Act and the corresponding provisions of all applicable provincial income tax statutes to give effect to the variation.

THE PARTIES, intending to be contractually bound, have executed this Agreement as of the date and year first above written.

**POTLUCK POTIONS AND EDIBLES
INC.**

By:



(Authorized Signatory)

**ORGANIC FLOWER INVESTMENTS GROUP
INC.**

By:

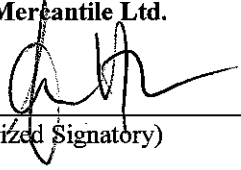


(Authorized Signatory)

SELLERS:

Capri Mercantile Ltd.

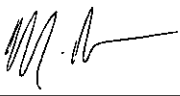
By:



(Authorized Signatory)

SIGNED, SEALED & DELIVERED

In the presence of:



Witness



Davi Tham

SCHEDULE A

THE SELLERS, PURCHASED SHARES AND PAYMENT SHARES

Shareholder	Shareholder Address	Number of Purchased Shares Held	Number of Payment Shares to be Received on Closing
[REDACTED]	[REDACTED]	3,846	3,846,152
[REDACTED]	[REDACTED]	77	76,924
[REDACTED]	[REDACTED]	58	57,693
[REDACTED]	[REDACTED]	19	19,231
[REDACTED]	[REDACTED]	6,000	6,000,000
	TOTAL	10,000	10,000,000

PRIVATE AND CONFIDENTIAL

April 20, 2019

Hatch Beverage Company, Ltd.
802 Cochrane Dr.,
Markham, Ontario,
Canada L3R 8E1

Dear Sirs:

Re: Binding Letter of Intent

This binding Letter of Intent (“**LOI**”) describes the basis upon which Potluck Potions and Edibles Inc. and/or their affiliates and or successors (“**Potluck**”) may enter into an exclusive cannabinoid-infused beverage supply agreement with Hatch Beverage Company, Ltd. (“**Hatch**”) (the “**Exclusive Supply Agreement**”).

The acceptance of this binding LOI will be followed by good faith negotiations of a definitive agreement (the “**Definitive Agreement**”) between the parties hereto setting forth the detailed terms of the Exclusive Supply Agreement, including the basic understandings set out in this LOI 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 the parties and their respective boards of directors and counsel. The parties agree, however, that the final structure of the Exclusive Supply Agreement is may be subject to receipt by the parties of tax, corporate and securities law advice.

ARTICLE 1

THE PROPOSED TRANSACTION

Section 1.1 Definitive Agreement.

Following execution of the LOI, the parties will enter into good faith negotiations respecting the Definitive Agreement. The parties hereto acknowledge and agree that if, in connection with finalizing the Definitive Agreement, a particular legal structure is determined by one or both parties hereto to be beneficial or advisable for the purpose of addressing any liability, corporate or tax concerns of the parties, the parties shall, at such time, consider in good faith available alternatives that would best address such issues. Both parties agree to proceed diligently to finalize the Definitive Agreement for execution on or about May 20, 2019 or such other date as may be mutually agreed to in writing between the parties hereto and to complete the Definitive Agreement contemplated herein as soon as possible. The Definitive Agreement will contemplate a closing date sometime after the date on which the Definitive Agreement is executed and after the conditions in the Definitive Agreement have been satisfied. Potluck and its counsel will be responsible for preparing the initial draft of the Definitive Agreement.

Section 1.2 Principal Terms of Exclusive Supply Agreement.

The principal terms of the Proposed Transaction include:

- (a) After closing (“**Closing**”) of the Definitive Agreement, Potluck will place purchase orders with Hatch for cannabinoid-infused beverages, totalling a minimum of \$10,000 per month or alternatively a minimum \$120,000 every 12-month cycle (the “**Minimum Purchase Orders**”). Failure by Potluck to meet the Minimum Purchase Orders will result in the termination of Exclusive Supply Agreement. Pricing of Minimum Purchase Order is further described in Schedule A;
- (b) Potluck will fund, manage and oversee Hatch’s application for relevant or applicable Health Canada license(s) (the “**License**” or “**Licenses**”), or any other such relevant certifications which permit Hatch to supply and distribute a suite of cannabinoid-infused beverages, as further described herein;
- (c) Potluck will conform to the following schedule of payments, as outlined in Schedule B;
- (e) In accordance with conforming to the conditions described in the contemplated Definitive Agreement, Potluck will maintain its rights with Hatch to an exclusive cannabinoid-infused beverage supply and distribution agreement, which applies to all manners of cannabinoid-infused beverages that may be produced leveraging Hatch’s current equipment or facilities, or produced leveraging equipment that may be installed in Hatch’s present or future facilities, in perpetuity.

Section 1.3 Conditions of Closing.

The implementation of this LOI and the completion of the Proposed Transaction shall be subject to the various conditions precedent being satisfied prior to the date of Closing (the “**Closing Date**”), including, among others:

- (a) Conditions precedent for the benefit of Potluck:
 - (i) Hatch shall execute and deliver the Definitive Agreement which shall contain, among other things, the terms and conditions set forth herein and the warranties, representations, covenants, agreements, terms and conditions customarily found in such agreements and acceptable to Potluck and its counsel;
 - (ii) receipt of all required approvals and consents for the Proposed Transaction, the Definitive Agreement and all related matters;
 - (iii) no material adverse change shall have occurred in the business, results of operations, assets, financial condition or affairs of Hatch, financial or otherwise, between the date of signing this LOI and the completion of the Proposed Transaction;
 - (iv) satisfactory completion of due diligence by Potluck, its counsel or other representatives on the business, assets, financial condition, and corporate records of Hatch, such due diligence to be completed within 30 days of the date of this LOI, provided that Potluck has been provided with all relevant information from Hatch;
 - (v) there being no legal proceeding or regulatory actions or proceedings against any of Hatch at the Closing Date which may, if determined against it, have a material adverse effect on it;
 - (vi) there being no prohibition at law against the consummation of the Proposed Transaction;

- (vii) Hatch shall be in compliance in all material respects with the terms of this LOI and the Definitive Agreement; and
 - (viii) there shall be no material breach of the covenants of any of Hatch contained herein or in the LOI or Definitive Agreement.
- (b) Conditions precedent for the benefit of Hatch:
- (i) Potluck shall execute and deliver the Definitive Agreement which shall contain, among other things, the terms and conditions set forth herein and the warranties, representations, covenants, agreements, terms and conditions customarily found in such agreements and acceptable to Hatch and its counsel;
 - (ii) receipt of all required approvals and consents to both the Exclusive Supply Agreement and all related matters;
 - (iii) Potluck conforming to the payment schedule outlined in Schedule B without material breach;
 - (iv) no material adverse change shall have occurred in the business, results of operations, assets, liabilities, financial condition or affairs of Potluck, financial or otherwise, between the date of signing this LOI and the completion of the Proposed Transaction;
 - (v) there being no legal proceeding, environmental actions, remediations or regulatory actions or proceedings against Potluck at the Closing Date which may, if determined against the interest of Potluck, have a material adverse effect on Potluck;
 - (vi) there being no prohibition at law against consummation of the Proposed Transaction;
 - (vii) Potluck shall be in compliance in all material respects with the terms of this LOI and the Definitive Agreement.

Section 1.4 Conditions of Closing and Right of Waiver.

The conditions precedent set out in Section 1.3(a) are inserted for the sole benefit of Potluck and the conditions precedent set out in Section 1.3(b) are inserted for the sole benefit of Hatch. Either of the parties may refuse to proceed with the Closing if any condition precedent inserted for its benefit is not fulfilled to its reasonable satisfaction prior to the Closing Date (or any applicable earlier date) and, except as otherwise agreed in this LOI, it shall incur no liability to any other party by reason of such refusal.

Section 1.5 Access to Information.

In connection with the due diligence investigation to be undertaken by each of the parties in respect of the Proposed Transaction, each party will allow the other and its respective authorized representatives, including legal counsel and consultants, access to all information, books or records and its personnel as may be reasonably requested. Each party shall also cause its directors, employees, accountants and other agents and representatives to cooperate fully with the other party and its representatives in connection with the said due diligence investigation. Each party will be under no obligation to continue with its due diligence investigation or negotiations regarding a Definitive Agreement if, at any time, the results of its due diligence investigation are not satisfactory to such party for any reason in its sole discretion and such

party agrees to provide prompt notification of termination of this LOI pursuant to Section 3.3(b) or Section 3.3(c), as applicable.

Section 1.6 Conduct of Business.

- (a) From the date of the acceptance of this LOI until the earlier of the completion of the transactions contemplated herein or the Termination Date (as defined herein), Potluck and Hatch will each operate its business in a prudent and business-like manner in the ordinary course, in a manner consistent with past practice and in compliance with Section 1.6(b) or Section 1.6(c), as applicable.
- (b) Potluck hereby agrees from the date hereof until the Termination Date:
 - (i) not to alter or amend Potluck’s articles or notice of articles in any manner which may adversely affect the success of the Proposed Transaction, except as strictly required to give effect to the matters contemplated herein; and
 - (ii) to use its commercial best efforts to obtain any third parties approvals required in respect of the Proposed Transaction.
- (c) Hatch hereby agrees from the date hereof until the Termination Date:
 - (i) not to alter or amend its articles or by-laws in any manner which may adversely affect the success of the Proposed Transaction, except as contemplated by this LOI or as is agreed to by Potluck in writing or as strictly required to give effect to the matters contemplated herein; and
 - (ii) to use its commercial best efforts to obtain any third parties approvals required in respect of the Proposed Transaction.

**ARTICLE 2
SURVIVING BINDING PROVISIONS**

Section 2.1 Survival of Provisions.

In recognition of the costs to be borne by each of the parties in pursuing the Proposed Transaction and in further consideration of their respective undertakings as to the matters described in this LOI, the provisions set out in this ARTICLE 2 will be legally binding and enforceable upon execution of this LOI by the parties and will survive in the event that this LOI is terminated (the “**Surviving Binding Provisions**”).

Section 2.2 Confidentiality.

Each party agrees that all data, information, reports concerning the other exchanged in connection with the Proposed Transaction (the “**Confidential Information**”) will be deemed confidential and will not be publicly disclosed or used by any party other than for the activities contemplated hereunder, except as required by law or by the rules and regulations of any regulatory authority having jurisdiction including the CSE, without the written consent of the other party, such consent not to be unreasonably withheld.

Consent to disclosure of Confidential Information will not be required where a party wishes to disclose the Confidential Information to its affiliates, shareholders, auditors, lawyers, or advisors, provided that such persons are informed of such Confidential Information's confidential nature and agree to be bound by the obligations not to disclose same contained herein.

Any Confidential Information that becomes of public domain through an act or omission that is not in violation of the terms hereof, will no longer be deemed Confidential Information.

Section 2.3 Responsibility for Fees, Debts and Costs.

The parties shall each be responsible for their own costs, including legal, accounting and other professional fees incurred in connection with this LOI, the negotiation, preparation and execution of the Definitive Agreement, or any agreements otherwise relating to the Proposed Transaction, provided that if one party incurs legal, accounting or other professional fees for services which are deemed by the parties, acting reasonably, to be for the benefit of the other party, then the party receiving the benefit shall be responsible for such fees, and provided further that if one party incurs a percentage of overall legal, accounting or other professional fees greater than would normally be anticipated for transactions in the nature of the Proposed Transaction, then the party incurring such greater percentage of fees shall be entitled, acting reasonably, to seek contribution for such greater fees from the other party. The parties acknowledge that it is intended that Potluck will be principally responsible for preparing the documentation with respect to and effecting the Proposed Transaction (including the Definitive Agreement) and will bear the costs associated with preparing said documentation.

Section 2.4 General.

- (a) This LOI may only be amended, supplemented or otherwise modified by written agreement signed by all of the parties.
- (b) This LOI may be executed in any number of counterparts, and all such counterparts taken together will be deemed to constitute one and the same instrument.
- (c) Each provision of this LOI is intended to be severable, and if any provision is illegal, invalid or unenforceable in any jurisdiction, this will not affect the legality, validity or enforceability of such provision in any other jurisdiction or the validity of the remainder of this binding LOI.
- (d) This LOI will be interpreted and enforced in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein. Each party irrevocably attorns and submits to the exclusive jurisdiction of the British Columbia courts situated in the City of Vancouver, and waives objection to the venue of any proceeding in such court or that such court provides an inconvenient forum.

ARTICLE 3
NON-SURVIVING BINDING PROVISIONS

Section 3.1 Non-Surviving Binding Provisions.

In recognition of the costs to be borne by each of the parties in pursuing the Proposed Transaction and in further consideration of their respective undertakings as to the matters described in this LOI, the provisions set out in this ARTICLE 3 will be legally binding and enforceable upon execution of this LOI and will terminate upon termination of this LOI (the “**Non-Surviving Binding Provisions**”).

Section 3.2 Non-Solicitation and Exclusivity.

During the period commencing on the date of this LOI and continuing until the earlier of (i) the Closing Date, (ii) the Termination Date, and (iii) the Exclusivity Termination Date (as defined below), each party agrees that it will not, directly or indirectly, and will not authorize or permit any representative or agent thereof to, directly or indirectly, solicit, initiate, encourage, engage in or respond to any inquiry or proposal regarding any cannabinoid-related beverage supply agreement or arrangement.

The respective parties’ foregoing non-solicitation covenant and exclusive period shall terminate on the date which is 30 days from the date of execution of this LOI (the “**Exclusivity Termination Date**”).

Section 3.3 Termination.

This LOI will terminate automatically upon the execution of the Definitive Agreement or on the day (the “**Termination Date**”) on which the earliest of the following events occurs:

- (a) written agreement of the parties to terminate the LOI;
- (b) Potluck not being reasonably satisfied with its due diligence review of Hatch within the permitted timeframe and providing written notification of such to Hatch;
- (c) Hatch not being reasonably satisfied with its due diligence review of Potluck within the permitted timeframe and providing written notification of such to Potluck;
- (d) the Definitive Agreement is not entered into on or before the Exclusivity Termination Date;
- (e) delivery of written notice from Potluck to Hatch of a material breach by Hatch of any of the Surviving Binding Provisions and Non-Surviving Binding Provisions; or
- (f) delivery of written notice from Hatch to Potluck of a material breach by Potluck of any of the Surviving Binding Provisions and Non-Surviving Binding Provisions,

provided that the termination of this LOI will not affect the liability of a party for breach of any of the Surviving Binding Provisions and Non-Surviving Binding Provisions prior to termination, nor of the Surviving Binding Provisions thereafter. Upon termination of this LOI, the parties will have no further obligations under this LOI, except with respect to the Surviving Binding Provisions which will survive in full force and effect, unamended.

Section 3.4 Good Faith Negotiations.

Potluck and Hatch agree to proceed diligently and in good faith to negotiate and settle the terms of the Definitive Agreement.

[REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

To confirm acceptance of the foregoing, please countersign the enclosed duplicate copy of this LOI where indicated below and deliver to Potluck. This LOI shall remain open for acceptance by Hatch until 4:30 pm on April 23, 2019.

Yours very truly,

POTLUCK POTIONS AND EDIBLES INC.

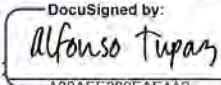
By:  **Davi Tham**

Authorized Signatory

* * * * *

This LOI reflects accurately the understanding and agreement of each of the undersigned with respect to the matters set out above.

HATCH BEVERAGE COMPANY, LTD.

By: 

Authorized Signatory

SCHEDULE A

PRICING OF MINIMUM PURCHASE ORDER

% Discount	Purchase Order (\$)
10%	\$10,000 to \$49,999
20%	\$50,000 to \$99,999
30%	> \$100,000

SCHEDULE B**SCHEDULE OF PAYMENTS**

Payable	Milestone
\$90,000 accrued	Upon execution of the binding LOI
\$50,000 Consulting / Advisory	Upon execution of the Definitive Agreement
Minimum Purchase Orders of \$10,000 per month or alternatively \$120,000 every 12-month cycle	Upon execution of the Definitive Agreement

SHARE EXCHANGE AGREEMENT

THIS SHARE EXCHANGE AGREEMENT is made as of the 16th day of April, 2019 and is **AMONG**

THE PERSONS IDENTIFIED ON SCHEDULE A TO THIS AGREEMENT AS THE SELLERS,

(together, the “**Sellers**”)

AND

11122347 CANADA CORP., a corporation incorporated under the federal laws of Canada (“**CanadaCorp.**”)

AND

ORGANIC FLOWER INVESTMENTS GROUP INC., a corporation incorporated under the laws of the Province of British Columbia

(“**SOW**”)

RECITALS:

- A. The Sellers are the registered and beneficial owners of an aggregate of 10,000 Class A shares, representing 100% of the issued and outstanding shares of CanadaCorp (the “**Subject Shares**”).
- B. SOW is a reporting issuer in the provinces of British Columbia, Alberta and Ontario with its common shares listed for trading on the Canadian Securities Exchange.
- C. The Sellers wish to sell to SOW, and SOW wishes to purchase from the Sellers, 80% of the Subject Shares (the “**Purchased Shares**”) on the terms and conditions set forth in this Agreement.
- D. CanadaCorp is party to a letter of intent dated March 18, 2019 (the “**LOI**”) for a distribution agreement and licensing agreement (collectively, the “**Definitive Agreements**”) with Health Cap Holdings, Inc. (“**HealthCap**”) whereby, subject to obtaining applicable licenses, HealthCap will manufacture, supply and license certain dosing caps referred to as “**HCHI Dosing Caps**”.

IN CONSIDERATION of the premises and mutual covenants hereinafter contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the parties hereto, the parties agree with one another as follows:

1. Definitions and Interpretation

1.1 *Definitions.* Whenever used in this Agreement, the following words and terms will have the respective meanings ascribed to them below:

1.1.1 “**Agreement**” means this Share Exchange Agreement, all of the Schedules to this Share Exchange Agreement and all instruments supplemental to or in amendment or confirmation of this Share Exchange Agreement.

1.1.2 “**Assets**” means the undertaking, property and assets of CanadaCorp or SOW, as the case may be, as a going concern of every kind and description, wheresoever situated.

1.1.3 “**Business**” means in the case of SOW, as applicable, its current business as presently conducted, as disclosed in the SOW Public Record.

1.1.4 “**CanadaCorp Shares**” means the Class A shares in the capital of CanadaCorp as they are presently constituted.

1.1.5 “**Closing**” means the completion of the purchase and sale of the Purchased Shares pursuant to this Agreement.

1.1.6 “**Closing Date**” means the date on which the purchase and sale of all of the issued and outstanding Purchased Shares is completed, which shall be the date mutually agreed by CanadaCorp and SOW, but in no event earlier than the execution of the Definitive Agreements and the closing of the transactions contemplated thereunder.

1.1.7 “**Closing Time**” means 10:00 a.m. (Toronto time) on the Closing Date or such other time on such date as the parties may agree as the time at which the Closing will take place.

1.1.8 “**Damages**” has the meaning given in Section 6.1.

1.1.9 “**Encumbrance**” means any lien, pledge, hypothecation, charge, mortgage, security interest, encumbrance, claim, infringement, interference, option, right of first refusal, pre-emptive right, community property interest or restriction of any nature (including any restriction on the voting of any security, any restriction on the transfer of any security or other asset, any restriction on the receipt of any income derived from any asset, any restriction on the use of any asset and any restriction on the possession, exercise or transfer of any other attribute of ownership of any asset).

1.1.10 “**Exchange**” means the Canadian Securities Exchange.

1.1.11 “**Governmental Authority**” means any federal, provincial, state, municipal, county or regional government or governmental authority, domestic or foreign and includes any department, commission, board, administrative agency or regulatory body thereof.

- 1.1.12 “**IFRS**” means International Financial Reporting Standards.
- 1.1.13 “**Intellectual Property Rights**” means all patents and inventions, trademarks, trade names and styles, logos and designs, service marks, trade dress, industrial designs, internet domain names, world wide websites, website names, electronic mail addresses, copyrights, trade secrets, technical information, engineering procedures, designs, know-how and processes (whether confidential or otherwise), software, other industrial property (including applications for any of these) and other similar rights and properties.
- 1.1.14 “**Payment Shares**” has the meaning given in Section 2.2.
- 1.1.15 “**Person**” includes an individual, corporation, partnership, joint venture, trust, unincorporated organization, the Crown or any agency or instrumentality thereof or any other juridical entity.
- 1.1.16 “**Purchase Price**” has the meaning given in Section 2.2.
- 1.1.17 “**Purchased Shares**” has the meaning given in the recitals above.
- 1.1.18 “**SEDAR**” means the System for Electronic Document Analysis and Retrieval.
- 1.1.19 “**SOW Financial Statements**” means the audited consolidated financial statements of SOW for the fiscal years ended June 30, 2018 and June 30, 2017, and the unaudited consolidated financial statements of SOW for the period ended December 31, 2018, copies of which have been filed by SOW on SEDAR.
- 1.1.20 “**SOW Public Record**” means all publicly available press releases, material change reports, annual information forms, information circulars, financial statements and other documents that have been disclosed by SOW to the public and filed with any applicable Canadian or other securities regulatory authority or otherwise posted on SEDAR.
- 1.1.21 “**SOW Shares**” means the common shares in the capital of SOW as they are presently constituted.
- 1.1.22 “**Subsidiary**” means, with respect to a specified body corporate, any body corporate of which more than 50% of the outstanding shares ordinarily entitled to elect a majority of the board of directors thereof (whether or not shares of any other class or classes will or might be entitled to vote upon the happening of any event or contingency) are at the time owned directly or indirectly by such specified body corporate and will include any body corporate, partnership, joint venture or other entity over which it exercises direction or control.
- 1.1.23 “**Taxes**” means all levies and assessments imposed by any Governmental Authority, including but not limited to all income, sales, use, ad valorem, value added, franchise, withholding, payroll, employment, excise or property taxes, together with any applicable interest or penalty.

- 1.2 *Gender and Number.* In this Agreement, words importing the singular include the plural and vice versa and words importing gender include all genders.
- 1.3 *Article and Section Headings.* Article and Section headings contained in this Agreement are included solely for convenience, are not intended to be full or accurate descriptions of the content of any Article or Section and will not be considered to be part of this Agreement.
- 1.4 *Schedules.* The following Schedules are an integral part of this Agreement:
- Schedule A – The Sellers, Purchased Shares and Payment Shares**
- 1.5 *Accounting Terms.* Unless otherwise indicated, all accounting terms not otherwise defined have the meanings assigned to them, and all calculations are to be made and all financial data to be submitted are to be prepared, in accordance with IFRS.
- 1.6 *Arm’s Length.* For purposes of this Agreement, Persons are not dealing “at arm’s length” with one another if they would not be considered to be dealing at arm’s length with one another for purposes of the *Income Tax Act* (Canada) (the “**Tax Act**”), as amended.
- 1.7 *Statutory Instruments.* Unless otherwise specifically provided in this Agreement, any reference in this Agreement to any law, by law, rule, regulation, order, act or statute of any government, Governmental Authority or other regulatory body will be construed as a reference to those as amended or re-enacted from time to time or as a reference to any successor thereof.

2. Purchase and Sale

- 2.1 *Purchased Shares.* Upon and subject to the terms of this Agreement, the Sellers agree to sell, assign and transfer, free and clear of all Encumbrances, and SOW agrees to purchase, all of the Purchased Shares, as at the Closing Time on the Closing Date, in accordance with subsection 2.3.1 below.
- 2.2 *Purchase Price.* The aggregate purchase price (the “**Purchase Price**”) payable by SOW to the Sellers for the Purchased Shares shall be the issuance to the Sellers of an aggregate of 9,166,000 SOW Shares (the “**Payment Shares**”) as fully paid and non-assessable. When issued, all of the Payment Shares will be subject to a hold period of six months from the date of issuance.
- 2.3 *Acknowledgements and Agreements of the Sellers.* Each of the Sellers acknowledges and agrees as follows with respect to the sale of the Purchased Shares and the receipt of the Payment Shares by such Seller pursuant to this Agreement:
- 2.3.1 Effective as at the Closing Time (i) the Sellers shall be deemed to have sold, assigned and transferred the Purchased Shares to SOW, (ii) SOW shall be delivered one or more share certificates registered as directed by SOW representing the total number of CanadaCorp Purchased Shares, (iii) the Payment Shares shall be issued to the Sellers, allocated among the Sellers pursuant to section 2.2 above, and

evidenced by certificates delivered to the Sellers representing the Payment Shares and registered in accordance with the written instructions of the Sellers, to be provided no later than two (2) business days prior to the Closing Date and (iv) any certificates representing the Purchased Shares held by the Sellers shall be cancelled and thereafter shall be of no further force or effect.

- 2.3.2 Such Seller has been independently advised as to the applicable hold periods imposed in respect of the Payment Shares by the securities legislation in the jurisdiction in which such Seller resides, and such Seller confirms that no representation has been made respecting the applicable hold periods for the Payment Shares and that such Seller is aware of the risks and other characteristics of the Payment Shares and of the fact that such Seller may not resell the Payment Shares except in accordance with applicable securities legislation and regulatory policy until expiry of the applicable hold periods and compliance with the other requirements of applicable law. Such Seller acknowledges that the certificates representing the Payment Shares will contain legends denoting the applicable resale restrictions, if any, and such Seller will not resell the Payment Shares except in accordance with the provisions of applicable securities legislation and Exchange rules.
- 2.3.3 Such Seller has been advised that no prospectus has been filed in connection with the issuance and granting of the Payment Shares and as the Payment Shares are being issued and granted to the Sellers pursuant to exemptions from the prospectus requirements of applicable securities laws:
- (a) most of the civil remedies applicable to the issuance and granting of securities by way of prospectus provided for in such laws are not available to such Seller;
 - (b) such Seller may not receive information that would be provided if no such exemptions were available; and
 - (c) SOW is relieved of certain obligations in respect of offerings by way of prospectus which would otherwise apply under applicable securities laws.
- 2.3.4 Such Seller will comply with any requirements imposed by the Exchange or securities legislation as a result of the shareholdings of such Seller in SOW exceeding certain thresholds, such requirements to include, without limitation, the filing of insider and early warning reports under applicable Canadian securities laws.

3. Representations and Warranties

- 3.1 *Representations and Warranties of CanadaCorp.* CanadaCorp represents, warrants and covenants to SOW as follows, and acknowledges that SOW is relying on these representations, warranties and covenants in entering into this Agreement and in completing the transactions contemplated hereby:

- 3.1.1 Organization and Good Standing – CanadaCorp is duly incorporated or organized and validly existing under the laws of Canada.
- 3.1.2 Bankruptcy – No bankruptcy, insolvency or receivership proceedings have been instituted or are pending against CanadaCorp, and CanadaCorp is able to satisfy its liabilities as they become due.
- 3.1.3 Due Authorization – CanadaCorp has all necessary power, authority and capacity to enter into this Agreement and to perform its obligations under this Agreement. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all necessary action on the part of CanadaCorp.
- 3.1.4 Authorized and Issued Capital – The authorized capital of CanadaCorp consists only of an unlimited number of Class A shares and Class B shares, of which at Closing Time only 10,000 CanadaCorp Shares (and no more or other classes of shares or other securities) will have been validly issued and outstanding, and as fully paid and non-assessable. The Sellers are the registered owners of all of the Purchased Shares and the Purchased Shares are held by them as set out in Schedule A.
- 3.1.5 No Options - No Person has any agreement or option or any right (whether by law, pre-emptive or contractual and including convertible securities, warrants or convertible obligations of any nature) for the purchase or the issue of either the Purchased Shares or any unissued shares in the capital stock of CanadaCorp.
- 3.1.6 Enforceability of Obligations – This Agreement constitutes a valid and binding obligation of CanadaCorp enforceable against CanadaCorp in accordance with its terms, provided that enforcement may be limited by bankruptcy, insolvency, liquidation, reorganization, reconstruction and other similar laws generally affecting enforceability of creditors’ rights and that equitable remedies such as specific performance and injunction are in the discretion of the court from which they are sought.
- 3.1.7 Subsidiaries – CanadaCorp does not have any Subsidiaries.
- 3.1.8 Assets - CanadaCorp is party to the LOI. The execution and delivery of this Agreement and the performance by CanadaCorp and the Sellers, and their respective obligations hereunder, do not and will not result in or constitute a breach of any term or provision of, or constitute a default, under the LOI or constitute an event which would permit HealthCap to terminate the LOI or to accelerate other obligations of CanadaCorp. The LOI has been provided to SOW to review and there are no other representations, warranties and covenants with HealthCap other than set out in the LOI.
- 3.1.9 No Other Liabilities – There are no liabilities, contingent or otherwise, of CanadaCorp which are not disclosed to SOW. CanadaCorp has not guaranteed, or agreed to guarantee, any debt, liability or other obligation of any Person. There are

no liabilities of any Person capable of creating an Encumbrance on any of CanadaCorp's Assets.

3.1.10 Litigation (CanadaCorp) – There is no suit, action, litigation, arbitration proceeding or governmental proceeding, including appeals and applications for review, in progress, pending or to the knowledge of CanadaCorp, threatened against or relating to CanadaCorp. There is not presently outstanding against CanadaCorp any judgement, decree, injunction, rule or order of any court, Governmental Authority, commission, agency, instrumentality or arbitrator which could, in the aggregate, be reasonably be expected to have a materially adverse effect with respect to CanadaCorp, taken as a whole.

3.2 *Representations and Warranties of the Sellers:* Each Seller severally (and not jointly or jointly and severally) makes the following representations and warranties to SOW and acknowledges that SOW is relying on such representations and warranties in entering into this Agreement and in completing the transactions contemplated under this Agreement:

3.2.1 The Purchased Shares – Such Seller is the legal and beneficial owner of the number of Purchased Shares shown as held by such Seller on Schedule A and on Closing SOW will acquire good and marketable title to such Purchased Shares free and clear of all Encumbrances.

3.2.2 No Options - No Person has any agreement or option or any right (whether by law, pre-emptive or contractual and including convertible securities, warrants or convertible obligations of any nature) for the purchase or the issue of the Purchased Shares.

3.2.3 Litigation (Shares) – There is no suit, action, litigation, arbitration proceeding or governmental proceeding, including appeals and applications for review, in progress, pending or threatened against such Seller relating to the Purchased Shares.

3.2.4 Enforceability of Obligations – When executed and delivered, this Agreement will constitute valid and legally binding obligations enforceable against such Seller in accordance with its terms subject, however, to limitations with respect to enforcement imposed by law in connection with bankruptcy or similar proceedings and to the extent that equitable remedies such as specific performance and injunction are in the discretion of the court from which they are sought.

3.2.5 Residence – Such Seller is resident in the jurisdiction set out opposite its name on Schedule A.

3.2.6 Corporate Seller – If the Seller is a corporation:

- (a) it is duly incorporated or organized and validly existing in its jurisdiction of incorporation and is in good standing with respect to the filing of annual reports; and

- (b) it has all necessary power, authority and capacity to enter into this Agreement and to perform its obligations under this Agreement; and the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all necessary action on the part of such Seller.

3.3 *Representations and Warranties of SOW.* SOW hereby represents, warrants and covenants to CanadaCorp and the Sellers as follows and acknowledges that CanadaCorp and the Sellers are relying on these representations, warranties and covenants in entering into this Agreement and in completing the transactions contemplated under this Agreement:

- 3.3.1 **Organization and Good Standing** – SOW is duly incorporated or organized and validly existing under the laws of the Province of British Columbia, Canada.
- 3.3.2 **Bankruptcy** – No bankruptcy, insolvency or receivership proceedings have been instituted or are pending against SOW, and SOW is able to satisfy its liabilities as they become due.
- 3.3.3 **Capacity to Carry on Business** – SOW has all necessary corporate power, authority and capacity to own its Assets and to carry on its business as presently owned and carried on by it and SOW is duly licensed, registered and qualified as a corporation to do business and is in good standing in each jurisdiction in which the nature of its business makes such qualification necessary.
- 3.3.4 **Due Authorization** – SOW has all necessary power, authority and capacity to enter into this Agreement and to perform its obligations under this Agreement. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all necessary action on the part of SOW.
- 3.3.5 **Authorized and Issued Capital** – The authorized capital of SOW consists of an unlimited number of common shares, of which 201,125,867 SOW Shares have been validly issued and are outstanding as fully paid and non-assessable.
- 3.3.6 **Absence of Conflicting Agreements** – The execution and delivery of this Agreement and the performance by SOW and its obligations hereunder do not and will not:
 - (a) result in the violation of any applicable laws;
 - (b) result in or constitute a breach of any term or provision of, or constitute a default under, any constating documents of SOW or any agreement to which SOW is a party or its Assets are bound; or
 - (c) constitute an event which would permit any party to any agreement with SOW to terminate such agreement or to accelerate the maturity of any indebtedness or other obligation of SOW.

- 3.3.7 Consents – There are no consents, authorizations, licenses, agreements, permits, approvals or orders of any Person or Governmental Authority required to permit SOW to complete the transactions contemplated by this Agreement other than those that have already been obtained by SOW and disclosed by SOW to CanadaCorp.
- 3.3.8 Rights and Privileges – There are no rights, privileges or advantages presently enjoyed by SOW which might be lost as a result of the consummation of the transactions contemplated under this Agreement.
- 3.3.9 Enforceability of Obligations – This Agreement constitutes a valid and binding obligation of SOW enforceable against SOW in accordance with its terms, provided that enforcement may be limited by bankruptcy, insolvency, liquidation, reorganization, reconstruction and other similar laws generally affecting enforceability of creditors’ rights and that equitable remedies such as specific performance and injunction are in the discretion of the court from which they are sought.
- 3.3.10 Books and Records – The books and records of SOW are fully and accurately maintained and its books of account provide for all excise, sales, business and property taxes and other rates, charges, assessments, levies, duties, taxes, contributions, fees, licenses and other governmental charges of whatsoever kind and nature that have become due and payable or, to the extent such amount is material, that may become due and payable before the Closing Time. The minute books of SOW are complete and accurate in all material respects and reflect all material actions taken and resolutions passed by the directors and shareholders, as the case may be, of SOW, since the date of incorporation or organization.
- 3.3.11 Financial Statements – The SOW Financial Statements are true and correct in every material respect and present fairly the Assets, liabilities and financial position of SOW as at December 31, 2018, and the results of its operations to that date, in accordance with IFRS applied on a basis consistent with that of previous periods.
- 3.3.12 The Payment Shares – On Closing the Payment Shares:
- (a) will be issued to the Sellers as fully paid and non-assessable SOW Shares;
 - (b) will be duly registered in the names of the Sellers in the books and registers of SOW; and
 - (c) will be conditionally approved for listing and posting for trading on the Exchange, subject only to satisfying any conditions stipulated by the Exchange for listing.
- 3.3.13 SOW Public Record – The SOW Public Record is, in all material respects, accurate and complete and omits no facts, the omission of which makes the SOW Public Record or any particulars therein, materially misleading or incorrect at the time such statements were made. SOW has not filed any confidential material change reports which are, as of the date of this Agreement, maintained on a confidential

basis. Except as disclosed in the SOW Public Record, there is no fact known to SOW which has, or so far as SOW which has, or so far as SOW can reasonably foresee, will have a material adverse effect, or which would otherwise be material to any person intending to make an investment in SOW.

3.4 Survival. The representations, warranties and covenants made by the parties in sections 3.1, 3.2, and 3.3 shall terminate (and be of no further force or effect) on the earlier of: (a) the termination of this Agreement in accordance with its terms; and (b) the Closing Time.

4. Covenants

4.1 *Covenants of CanadaCorp, and the Sellers.* Until the earlier of the Closing Time or the termination of this Agreement in accordance with its terms, each of the Sellers and CanadaCorp severally (and not jointly or jointly and severally) hereby covenants and agrees with SOW as follows:

4.1.1 *Necessary Consents.* The Sellers and CanadaCorp shall use commercially reasonable efforts to obtain all approvals or consents as are required to complete the transactions contemplated by this Agreement, including those of the directors and shareholders of CanadaCorp or any applicable Governmental Authority; and if applicable, of HealthCap with respect to the Definitive Agreements.

4.1.2 *Satisfaction of Conditions Precedent.* Each of the Sellers and CanadaCorp shall use commercially reasonable efforts to satisfy or cause to be satisfied the conditions precedent in Section 5.3 which are within his, her or its control.

4.1.3 *All other Actions.* The Sellers and CanadaCorp shall cooperate fully with SOW, and will use all commercially reasonable efforts to assist SOW in its efforts to complete the transactions contemplated by this Agreement, unless such cooperation and efforts would subject the Sellers or CanadaCorp to any extraordinary cost or liability or would be in breach of any applicable statutory or regulatory requirements.

4.2 *Covenants of SOW.* SOW hereby covenants and agrees with the Sellers and CanadaCorp as follows:

4.2.1 *Necessary Consents.* SOW shall use commercially reasonable efforts to obtain all approvals or consents as are required to complete the transactions contemplated by this Agreement, including those of the directors and shareholders of SOW, the Exchange or any applicable Governmental Authority.

4.2.2 *Satisfaction of Conditions Precedent.* SOW shall use commercially reasonable efforts to satisfy or cause to be satisfied the conditions in section 5.1 which are within its control.

4.2.3 *All other Actions.* SOW shall cooperate fully with the Sellers and CanadaCorp and will use all commercially reasonable efforts to assist the Sellers and CanadaCorp in their efforts to complete the transactions contemplated by this Agreement, unless

such cooperation and efforts would subject SOW to any extraordinary cost or liability or would be in breach of any applicable statutory or regulatory requirements.

4.2.4 *Material Changes.* SOW shall promptly advise CanadaCorp in writing of any event, change or development that has or is reasonably expected to have an adverse effect in respect of the SOW or the transactions contemplated hereunder.

5. Conditions Precedent

5.1 *Conditions Precedent for the Benefit of CanadaCorp and the Sellers.* The obligation of CanadaCorp and each of the Sellers to complete the transactions contemplated by this Agreement are subject to the satisfaction of, or compliance with, at or before the Closing Time, each of the following conditions precedent (each of which is hereby acknowledged to be inserted for the exclusive benefit of CanadaCorp and each of the Sellers and may be waived by him, her or it in whole or in part):

5.1.1 *Truth of Representations and Warranties* – The representations and warranties of SOW contained in this Agreement will be true and correct on and as of the Closing Date as though made at and as of the Closing Date.

5.1.2 *Covenants and Agreements* –SOW will have satisfied and complied with all covenants and agreements in this Agreement agreed to be performed or caused to be performed by SOW on or before the Closing Time.

5.1.3 *Consents* – All consents, approvals, orders and authorizations of or from Governmental Authorities or the Exchange required in connection with the completion of the transactions contemplated by this Agreement will have been obtained on or before the Closing Time on terms and conditions satisfactory to CanadaCorp, including the conditional approval of the listing of the Payment Shares.

5.1.4 *No Material Adverse Change* – No material adverse change (nor any condition, event or development involving a prospective material adverse change) shall have occurred in the Business, Assets, operations, capital or financial condition of SOW.

5.1.5 *Closing Documents* – SOW will have tendered the documents to be delivered by it at Closing in accordance with this Agreement.

5.1.6 *Shareholders Agreement* – The Sellers and SOW shall have entered into a shareholders' agreement with respect to their ownership of CanadaCorp and the management of its affairs.

5.2 *Non-satisfaction of Conditions.* If any of the conditions set forth in Section 5.1 are not fulfilled or waived to the reasonable satisfaction of CanadaCorp and each of the Sellers, CanadaCorp and each of the Sellers may, acting reasonably, terminate this Agreement by

notice in writing to SOW. In such event, CanadaCorp and each of the Sellers will be released from all obligations under this Agreement and SOW will also be so released unless they were reasonably capable of causing such condition or conditions to be fulfilled or they have breached any of their representations, warranties, covenants or agreements in this Agreement.

- 5.3 *Conditions Precedent for the Benefit SOW.* The obligations of SOW to complete the transactions contemplated by this Agreement are subject to the satisfaction of, or compliance with, at or before the Closing Time, each of the following conditions precedent (each of which is hereby acknowledged to be inserted for the exclusive benefit of SOW and may be waived by it in whole or in part):
- 5.3.1 *Truth of Representations and Warranties* – The representations and warranties of each of CanadaCorp and the Sellers contained in this Agreement will be true and correct on and as of the Closing Date as though made at and as of the Closing Date.
 - 5.3.2 *Covenants and Agreements* – Each of CanadaCorp and the Sellers will have complied with all covenants and agreements in this Agreement agreed to be performed or caused to be performed by it on or before the Closing Time.
 - 5.3.3 *Consents* – All consents, approvals, orders and authorizations of or from Governmental Authorities or the Exchange required in connection with the completion of the transactions contemplated by this Agreement will have been obtained on or before the Closing Time on terms and conditions satisfactory to the Sellers, including the approval of HealthCap in connection with the LOI or the Definitive Agreements, if applicable.
 - 5.3.4 *No Material Adverse Change* – No material adverse change (nor any condition, event or development involving a prospective material adverse change) shall have occurred in the Business, Assets, operations, capital or financial condition of SOW.
 - 5.3.5 *Closing Documents* – CanadaCorp and each of the Sellers will have tendered the documents to be delivered by it at Closing in accordance with this Agreement, including without limitation, the tender of all of the Purchased Shares.
- 5.4 *Non-satisfaction of Conditions.* If any of the conditions set forth in Section 5.3 are not fulfilled or waived to the reasonable satisfaction of SOW, SOW may, acting reasonably, terminate this Agreement by notice in writing to CanadaCorp and the Sellers. In such event the SOW will be released from all obligations under this Agreement and CanadaCorp and each of the Sellers will also be so released unless it was reasonably capable of causing such condition or conditions to be fulfilled or it has breached any of its representations, warranties, covenants or agreements in this Agreement.
- 5.5 *Waivers.* Each of the parties on his, her or its behalf, may waive any condition for his, her or its benefit in this Agreement, in whole or in part, without prejudice to any right of rescission or any other right in the event of the non-fulfilment of any other condition or conditions. A waiver will only be binding if it is in writing.

6. Indemnification

- 6.1 *Indemnification by SOW.* SOW agrees to indemnify and save harmless CanadaCorp from and against any and all losses, debts, obligations, liabilities, expenses, costs and damages (including reasonable legal fees) (collectively, the “**Damages**”) suffered or incurred by CanadaCorp as a result of any breach of, or untruth of, any of the covenants, warranties or representations contained in section 3.3 and 4.2 of this Agreement.
- 6.2 *Indemnification by CanadaCorp and each of the Sellers.* CanadaCorp and each of the Sellers agree to indemnify and save harmless SOW from and against any and all Damages suffered or incurred by SOW as a result of any breach of, or untruth of, any of the covenants, warranties or representations contained in section 3.1, 3.2 or 4.1 of this Agreement.

7. Closing Arrangements

- 7.1 The closing of this transaction shall take place at the offices of SOW on the Closing Date.
- 7.2 On the Closing Date, CanadaCorp and each of the Sellers shall deliver, or cause to be delivered, to SOW such documents as may reasonably be required to perfect the transactions contemplated by this Agreement and SOW shall deliver, or cause to be delivered, to CanadaCorp and the Sellers such documents as may reasonably be required to perfect the transactions contemplated by this agreement.

8. Notices

- 8.1 *Delivery of Notice.* Any notice, direction or other instrument required or permitted to be given by any party under this Agreement will be in writing and will be sufficiently given if delivered personally or by courier, or transmitted by fax or email means during the transmission of which no indication of failure of receipt is communicated to the sender:

- 8.1.1 in the case of CanadaCorp and the Sellers:

69 Yonge street, #17069
Toronto, Ontario M5E 1K3

Attention: Chief Operating Officer

- 8.1.2 in the case of SOW:

Organic Flower Investments Group Inc.
Suite 810-789 West Pender Street
Vancouver, British Columbia V6C 1H2

Attention: Chief Financial Officer

Email: theo@pashleth.com

8.2 *Receipt of Notice.* Any such notice, direction or other instrument, if delivered personally, will be deemed to have been given and received on the date on which it was received at such address and, if sent by fax or email, will be deemed to have been given and received on the date of transmission in accordance with this Section.

9. Termination

9.1 *Grounds for Termination.* This Agreement may be terminated at any time before the Closing:

9.1.1 by the mutual agreement of SOW and CanadaCorp;

9.1.2 by either CanadaCorp or SOW if it is not in material breach of its obligations under this Agreement, and if there has been a breach by the other of any of its representations and warranties or covenants hereunder and in either case such breach has not been cured within ten days after written notice, specifying such breach, to such Party; or

9.1.3 by SOW or CanadaCorp if the Closing Date is not on or before June 30, 2019 or such later date as may be agreed in writing by SOW and CanadaCorp.

9.2 *Effect of Termination.* If this Agreement is terminated as provided in Section 9.1, it will, except as provided herein, forthwith become void, and, subject to Sections 3.4, 5.2 and 5.4 none of the parties or their respective officers, directors, employees, agents, or shareholders will have any liability or obligation with respect to the terminated provisions of the Agreement. Sections 3.4, 5.2, 5.4, 11.3 and 11.4 will survive termination of this Agreement and will continue to be in effect notwithstanding the termination of this Agreement.

10. Power of Attorney

10.1 Each of the Sellers hereby severally and irrevocably appoints CanadaCorp as their attorney to take any action that is required and hereby authorizes any director or officer of CanadaCorp, on behalf of CanadaCorp, to sign any documents on their behalf, including without limitation, for the purposes of all Closing matters and deliveries of documents and to do and cause to be done all such acts and things as may be necessary or desirable in connection with the transactions contemplated hereunder, including the sale, assignment and transfer of the Purchased Shares to SOW. Without limiting the generality of the foregoing, CanadaCorp may, on behalf of itself and the Sellers, extend the Time of Closing, modify or waive such conditions as are contemplated herein, negotiate, settle and deliver the final forms of this Agreement and any other documents that are necessary or desirable to give effect to the transactions contemplated herein.

11. General Provisions

- 11.1 *Entire Agreement.* This Agreement, including all the Schedules hereto, together with the agreements and other documents to be delivered pursuant hereto, constitutes the entire agreement among the parties pertaining to the subject matter hereof and supersedes any and all prior agreements, understandings, negotiations and discussions, whether oral or written, of the parties and there are no warranties, representations or other agreements among the parties in connection with the subject matter hereof except as specifically set forth herein and therein.
- 11.2 *Costs and Expenses.* Each party shall be responsible for its' respective costs and expenses in connection with the transactions contemplated herein.
- 11.3 *Confidentiality.* Until the Closing Time, and in the event of the termination of this Agreement without consummation of the transactions contemplated by this Agreement, for a period of two years from the date of this Agreement, each party to this Agreement will keep confidential any information obtained from the other parties, provided that a party may disclose confidential information (i) to those of its representatives and professional advisors who have a need to know the information in connection with providing advice with respect to this Agreement and the transactions contemplated thereby if such representatives and advisors commit to protect such information in a manner consistent herewith or (ii) if such disclosure is required by law or the rules of the Exchange or over Governmental Authority or (iii) if such information has been made public other than as a result of a breach of this Section. If this Agreement is terminated without consummation of the transactions contemplated thereby, promptly after such termination all documents, work papers and other written material obtained from a party in connection with this Agreement and not theretofore made public (including all copies and photocopies thereof), shall be returned to the party that provided such material.
- 11.4 *Public Announcements.* Neither SOW nor CanadaCorp will, without the prior consent of the others, make any disclosure regarding the existence, purpose, scope, content, terms or conditions of this Agreement or other agreements relating to this Agreement except in order to comply with a legal obligation, the requirements of a competent Government Authority or the requirements of the Exchange; provided that, where practicable, a copy of any proposed announcement or statement will be furnished to the other parties in advance of the proposed date of publication. Nothing herein will prevent disclosure of the terms of this Agreement to a corporate party's directors, officers, employees or agents or its financial, legal, accounting or other advisors.
- 11.5 *Waiver.* The failure of a party in any one or more instances to insist upon strict performance of any of the terms of this Agreement or to exercise any right or privilege arising under it will not preclude it from requiring by reasonable notice that any other party duly perform its obligations or preclude it from exercising such a right or privilege under reasonable circumstances, nor will waiver in any one instance of a breach be construed as an amendment of this Agreement or waiver of any later breach.

- 11.6 *Assignment.* None of the parties will assign, transfer, charge or otherwise encumber the benefit (or any part thereof) or the burden (or any part thereof) of this Agreement without the prior written consent of the other parties, such consent not to be unreasonably withheld.
- 11.7 *Further Assurances.* Each of the parties hereto will from time to time at the request of any of the other parties hereto and without further consideration, execute and deliver all such other additional assignments, transfers, instruments, notices, releases and other documents and will do all such other acts and things as may be necessary or desirable to assure more fully the consummation of the transactions contemplated hereby.
- 11.8 *Time.* Time will be of the essence of this Agreement.
- 11.9 *Amendment.* This Agreement may be amended or varied only by agreement in writing signed by each of the parties. Unless the context otherwise so requires, a reference to this Agreement includes a reference to this Agreement as amended or varied from time to time.
- 11.10 *Several.* Unless otherwise provided, each and every covenant, representation or warranty of the Sellers contained herein is several (and not joint or joint and several).
- 11.11 *Severability.* If any provision of this Agreement is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability will attach only to such provision or part thereof and the remaining part of such provision and all other provisions hereof will continue in full force and effect.
- 11.12 *Governing Law.* This Agreement will be governed by and interpreted in accordance with the laws from time to time in force in the Province of Ontario and each of the parties hereby attorns to the non-exclusive jurisdiction of the courts of the Province of Ontario, sitting in Toronto.
- 11.13 *Benefit of Agreement.* This Agreement will enure to the benefit of and be binding upon each of the parties hereto who is a corporation and their respective successors and permitted assigns and upon each of the parties hereto who is an individual and their respective executors, personal representatives, heirs, successors and permitted assigns.
- 11.14 *Counterparts.* This Agreement may be executed in as many counterparts as are necessary. It will be binding on each party when each party hereto has signed and delivered one such counterpart. Delivery may be made by facsimile or other electronic transmission. When a counterpart of this Agreement has been executed by each party, all counterparts together will constitute one agreement.

12. Section 85 Election

- 12.1 It is intended that the transfer hereunder of the Purchased Shares be on a tax deferred basis to the Sellers for purposes of the Tax Act and applicable provincial income tax statutes. In order to give effect to this intention, the Sellers and SOW shall, in a timely manner, jointly execute and file elections under Section 85 of the Tax Act in prescribed form and elections in prescribed form under the corresponding provisions of applicable provincial income tax statutes in respect of the transfer hereunder of the Purchased Shares. The elected amounts

(the “**Elected Amounts**”) for purposes of each such election will be determined by the Sellers in a manner consistent with the above-described intention.

- 12.2 If the Sellers and SOW subsequently mutually determine, or if the Canada Revenue Agency or any other taxing authority issues, or proposes to issue, assessments or reassessments of additional liability for taxes or in respect of any other matter by reason of asserting that an elected amount is more or less than the Elected Amounts for the Purchased Shares as determined by the Sellers, then the Elected Amounts shall be increased or decreased as necessary but only to the extent that the Elected Amounts so revised is acceptable to the parties hereto, as the case may be, or is established by a court of competent jurisdiction (after all appeal rights have been exhausted or all time periods for appeal have expired without appeals having been taken) to be the Elected Amounts, as the case may be.
- 12.3 If an Elected Amount is varied in the circumstances described in Section 12.2 above, the Sellers and SOW shall file a revised election(s) under the provisions of subsection 85(1) of the Tax Act and the corresponding provisions of all applicable provincial income tax statutes to give effect to the variation.

THE PARTIES, intending to be contractually bound, have executed this Agreement as of the date and year first above written.

11122347 CANADA CORP.

By: 

(Authorized Signatory)

ORGANIC FLOWER INVESTMENTS GROUP INC.

By: 

(Authorized Signatory)

SELLERS:

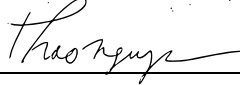
NONPAREIL INITIATIVES INC.

By: 

(Authorized Signatory)

SIGNED, SEALED & DELIVERED

In the presence of:



Witness



Michael Nguyen

SCHEDULE A

THE SELLERS, PURCHASED SHARES AND PAYMENT SHARES

Shareholder	Shareholder Address	Number of Purchased Shares Held	Number of Payment Shares to be Received on Closing
[REDACTED]	[REDACTED]	5,244	4,807,691
[REDACTED]	[REDACTED]	105	96,154
[REDACTED]	[REDACTED]	79	72,116
[REDACTED]	[REDACTED]	26	24,039
[REDACTED]	[REDACTED]	4,546	4,166,000
	TOTAL	10,000	9,166,000

11122347 Canada Corp.
47 Colborne Street, Unit #402
Toronto, Ontario
M5E 1C5

March 18, 2019

Health Cap Holdings, Inc.
3910 Adler Place, Suite 104
Pennsylvania, PA
USA, 18017

Attn: Todd Donnelly, CEO

Dear Mr. Donnelly,

RE: LETTER OF INTENT

The purpose of this Letter of Intent (the “Letter”) is to set forth certain non-binding understandings (Part I) and certain binding obligations (Part II) between 11122347 Canada Corp. (“CanadaCorp”) and Health Cap Holdings, Inc. (“HealthCap”) with respect to a proposed transaction (the “**Proposed Transaction**”). Upon execution of this Letter, CanadaCorp and Health Cap are prepared to negotiate and prepare definitive documentation to include a distribution agreement, licensing agreement, and any other documentation necessary to facilitate the Proposed Transaction (the “**Definitive Agreements**”). The parties understand and agree that as to Part I, this Letter constitutes only an expression of intent and shall have no legal or binding effect on the parties until such time as the parties enter into the Definitive Agreements. Execution of the Definitive Agreements shall replace and supersede this Letter and each Definitive Agreement shall be executed concurrently. Each Definitive Agreement shall be in the form and content satisfactory to each of CanadaCorp and HealthCap and their respective boards of directors and legal counsel. For the purposes of this Letter, CanadaCorp, and HealthCap are collectively referred to as (“Parties”) and individually as (a “Party”).

The terms of the Proposed Transaction will be more particularly set forth in each of the Definitive Agreements to be mutually agreed upon by the Parties. This Letter outlines the Proposed Transaction based on each Party’s present understanding of the current condition of the assets, financial position and business operations of each other Party. In particular, CanadaCorp understands that HealthCap is the owner of certain patents and other intellectual property relating to HCHI Dosing Caps as defined as the technology disclosed and claimed in at least U.S. Patent Nos. D610,004, D616,303, and 8,376,175. HealthCap understands that in order to affect the Proposed Transactions contemplated in this Letter, CanadaCorp will be required to conduct customary due diligence and conduct good faith negotiations with HealthCap prior to undertaking the Proposed Transaction.

PART I: NON-BINDING STATEMENT OF UNDERSTANDING

1. PREPARATION OF THE DEFINITIVE AGREEMENTS

1.1 Definitive Agreements. It is intended that the Definitive Agreements will be in the form and substance mutually acceptable to the Parties and will be in substantially the form customarily used for similar transactions, including customary indemnities, representations and warranties and conditions from and in favour of the Parties. In addition, it is anticipated that the Definitive Agreements will include provisions, yet to be negotiated, with respect to the following:

- (a) HealthCap shall appoint CanadaCorp as its exclusive distributor of HCHI Dosing Caps for the beverage sector within Canada and the United States of America, including all States, Provinces and Territories (“North America”) and as a non-exclusive distributor of HCHI Dosing Caps for the beverage sector within all countries in Europe (“Europe”) for a 10-year term, and for an additional successive 10-year term unless and until earlier terminated as provided in the Definitive Agreements or applicable law (the “Term”);
- (b) HealthCap shall manufacture and sell unassembled HCHI Dosing Caps to CanadaCorp at a cost of \$0.185 for each unit purchased by CanadaCorp. Payment to be made by CanadaCorp after samples of each order have been quality tested and test results are acceptable by the Parties as set forth in Section 1(g) of this Letter; provided that such testing shall be completed within thirty (30) days of the date of delivery for each order.
- (c) CanadaCorp shall obtain licensing to, and shall assemble and fill the HCHI Dosing Caps at its own expense.
- (d) CanadaCorp shall purchase an initial inventory of 2 million HCHI Dosing Caps as set forth in Section 1(g) of this Letter. Payment to be made by CanadaCorp fifty percent (50%) upon placing the order and the balance within thirty (30) days of delivery.
- (e) CanadaCorp’s minimum purchase requirement of HCHI Dosing Caps shall increase by 10% in each successive year of the Term ;
- (f) CanadaCorp and its authorized independent sales representatives, subdistributors, successors and assigns shall be authorized to:
 - (i) use trade-marks, service marks and trade names of HealthCap in connection with advertising, promoting or reselling the HCHI Dosing Caps; and
 - (ii) refer to and advertise itself as an authorized Licensee and Distributor of North America of the HCHI Dosing Caps.

During each year of the Term, based on the anniversary date of this Agreement, CanadaCorp shall pay a royalty (the “Royalty”) to HealthCap for each HCHI Dosing Cap unit sold based on the following scale:

From 1 unit to 2 million HCHI Dosing Caps –	\$0.20 USD
From 2 million to 5 million HCHI Dosing Caps –	\$0.10 USD
Greater than 5 million HCHI Dosing Caps –	\$0.05 USD

For the first 1 million HCHI Dosing Caps purchased during each year of the Term, CanadaCorp shall pay the Royalty to HealthCap upon placing the order for the HCHI Dosing Caps; for additional HCHI Dosing Caps purchased during the balance of that year, CanadaCorp shall pay the Royalty to HealthCap within forty-five (45) days of the date of delivery.

- (g) CanadaCorp shall purchase from/for HealthCap the following equipment, inventory and related services, under pricing and payment terms as set forth below, where stated, or to be agreed by the parties (and marked TBD below):
 - (i) filling machine including testing of the machine, systems and process development for a purchase price of \$350,000; and the associated freight and installation costs;
 - (ii) test inventory of 25,000 HCHI Dosing Caps for a purchase price of \$4,625.00 at the commencement of the Definitive Agreements (payment to be made by CanadaCorp upon placing the order),
 - (iii) after date of successful testing of the HCHI Dosing Caps is completed and mutually agreed upon by both Parties, within the following one hundred and eighty(180) days, the initial 2 million HCHI Dosing Caps pursuant to paragraph 1.1(d) herein for a purchase price of \$370,000, and the corresponding associated freight cost;
 - (iv) cap sorter machine for bottling line for a purchase price of \$85,000 and the corresponding associated freight and installation costs;
 - (v) chucks for the capping heads on the bottling filling line purchase price TBD (expected price not to exceed \$15,000);
 - (vi) construction of a cleanroom for the filling machine at CanadaCorp's sole cost and expense; and
 - (vii) engagement of and payment of consulting fees for four (4) employees or contractors of HealthCap whose responsibilities shall include overseeing the manufacturing and quality control of HCHI Dosing Caps, filling machine, installation and training under an agreement or agreements with HealthCap and/or the Contractors (individually and collectively, the Consulting Agreements"). The cost of the Consulting Agreements for the first year shall be \$265,000 with one-half of the fee payable upon the commencement of the Consulting Agreements.
- (h) Conditions of completion of the Proposed Transaction and execution of the Definitive Agreements, include the following:
 - (i) CanadaCorp will have completed and be satisfied, in its sole discretion, with the results of its due diligence review of HealthCap. Such due diligence will include review of legal, accounting, business, financial, operational, regulatory and environmental concerns as well as other relevant matters as they arise;
 - (ii) no material adverse change having occurred in the business of the Parties; and

- (iii) no legal proceedings pending or threatened to prohibit, enjoin or materially restrict completion of the Proposed Transaction.
 - (i) Subject to the terms of the Definitive Agreements, HealthCap shall grant to CanadaCorp Licensee, the exclusive right to sublicense the HCHI Dosing Caps to third parties in North America and the non-exclusive right to sublicense the HCHI Dosing Caps to third parties in Europe, in all cases only to third parties that are mutually acceptable to HealthCap and CanadaCorp (“Approved Sub-licensees”). CanadaCorp shall use commercially reasonable efforts to sublicense the HCHI Dosing Caps to Approved Sub-Licensees. In furtherance of its obligations under any sublicense agreement, CanadaCorp shall purchase unassembled HCHI Dosing Caps from HealthCap, and pay royalties on the HCHI Dosing Caps to, HealthCap, pursuant to the terms of the Definitive Agreements.
 - (j) If CanadaCorp fails to enter into a sublicense agreements within thirty-six (36) months of the date of the Definitive Agreements, HealthCap shall have the right, at HealthCap’s sole option, to terminate CanadaCorp’s exclusive right to sublicense the HCHI Dosing Caps to Approved Licensees by giving written notice to CanadaCorp, and upon such notice, CanadaCorp’s exclusive right to sublicense the HCHI Dosing Caps shall immediately terminate, and the Definitive Agreements shall thereafter be read and interpreted without reference to CanadaCorp’s exclusive right to sublicense
- 1.2 **Closing Date.** The closing date of the Proposed Transaction will take place on a date to be mutually agreed by both Parties to be outlined in the Definitive Agreements.
- 1.3 **Structure.** In order to facilitate the Proposed Transaction, the Parties each agree to use their commercially reasonable best efforts to formulate a structure for the Proposed Transaction which is acceptable to each of the Parties and which is formulated to:
- (a) comply with all necessary legal and regulatory requirements;
 - (b) proceed with the negotiation and settlement of each Definitive Agreement which shall contain representations, warranties, covenants and conditions customary for each Definitive Agreement and its nature;
 - (c) minimize or eliminate any adverse tax consequences; and
 - (d) be as cost effective as possible.

PART II: AGREEMENTS OF THE PARTIES REGARDING THE PROCEDURES FOR NEGOTIATION AND PREPARATION OF THE DEFINITIVE AGREEMENTS

In consideration of all costs to be borne by each Party in pursuing the acquisition and sale contemplated by this Letter and in consideration of the mutual undertakings by the Parties as to the matters described in this Letter, upon execution of the counterparts of this Letter by each Party, the following Sections 2 – 8 (the “**Binding Provisions**”) will constitute legally binding and enforceable agreements of the parties regarding the procedures for the negotiation and preparation of the Definitive Agreements.

2. DUE DILIGENCE

- 2.1 From the date of acceptance by the Parties of the terms of this Letter, until the negotiations are terminated, the Transaction will be subject to the completion of all legal, business and technical due diligence to the satisfaction of [CanadaCorp.], and the timely receipt by the Parties of all documentation, material contracts or financial data as may be reasonably requested (the “**Due Diligence Materials**”) and upon receipt of all

required consents and approvals as may be necessary to complete the Proposed Transaction and other matters contemplated hereby. Until completion of the Proposed Transaction, each of the Parties shall notify the other of any significant development or material change relating to the Party promptly after becoming aware of any such development or change.

3. CONFIDENTIALITY

- 3.1 Except as and to the extent required by law, neither Party will disclose or use, and will direct its representatives not to disclose or use to the detriment of the other Party, any Confidential Information (as defined below) with respect to such other Party furnished, or to be furnished, by the Parties or their respective representatives to such other Party or its representatives at any time or in any manner other than as may be agreed to by such other Party. For the purposes of this Section 4.1, "Confidential Information" means any information about or relating to the Parties stamped "confidential" or identified in writing as such promptly following its disclosure, unless (i) such information is already known to the other Party or its representatives or to others not bound by a duty of confidentiality; (ii) such information becomes publicly available through no fault of the other Party or its representatives; (iii) the use of such information is necessary or appropriate in making any filing or obtaining any consent or approval required for the consummation of the Proposed Transaction; or (iv) the furnishing or use of such information is required by, or necessary or appropriate in connection with, legal proceedings. Upon the written request of the Parties, as applicable, the other Party will promptly return or destroy any Confidential Information in its possession and certify in writing to the other Party that it has done so. The provisions of this Section shall survive termination of the agreements set forth in Sections 2 - 8.

4. PUBLIC DISCLOSURE

- 4.1 Except as and to the extent required by law, without the prior written consent of the other Party, neither Parties will direct its representatives not to, make, directly or indirectly, any public comment, statement or communication with respect to, or otherwise to disclose or to permit the disclosure of the existence of discussions regarding, a possible transaction between the parties or any of the terms, conditions or other aspects of the transactions proposed in this Letter. If a Party is required by law to make any such disclosure, it must first provide to the other parties the content of the proposed disclosure, the reasons that such disclosure is required by law and the time and place that the disclosure will be made. The provisions of this Section shall survive termination of the agreements set forth in Sections 2 - 8.

5. DISCLAIMER OF LIABILITIES

- 5.1 Except for breach of any confidentiality provisions hereof, no Party to this Letter shall have any liability to the other Party for any liabilities, losses, damages (whether special, incidental or consequential), costs, or expenses incurred by the Party in the event the negotiations among the Parties are terminated as provided in Section 6. Each Party shall be solely responsible for their own expenses, legal fees, accounting fees, and consulting fees related to the negotiations described in this Letter, whether or not any of the transactions contemplated in this Letter are consummated.

6. TERMINATION

- 6.1 Except for the provisions set forth in Sections 2 – 8 of Part II, each Party hereby reaffirms its intention that this Letter as a whole, and Section 1 in particular, are not intended to constitute, and shall not constitute, a legal and binding obligation, contract or agreement between any of the parties, and are not intended to be relied upon by any Party as constituting such. If any Party withdraws from dealing or negotiation prior to the closing date, or fails to negotiate in good faith, or if each Party hereto has not entered into the Definitive Agreements by the closing date, then any obligation to negotiate and prepare the

Definitive Agreements or otherwise deal with the other Party to this Letter, and the agreements of the parties set forth in Sections 2 – 8 shall immediately terminate. It is agreed, however, that the terms of any Definitive Agreements entered into by the parties has control over the right to withdraw from dealing or negotiations in this Letter.

7. NON-REFUNDABLE DEPOSIT; EXCLUSIVE OPPORTUNITY

7.1 Upon the execution of this Letter, Buyer shall deliver to Gross McGinley, LLP, in its capacity as Escrow Agent (the “Escrow Agent”), and pursuant to a separate escrow agreement among CanadaCorp, HealthCap and Escrow Agent, the sum of Twenty-Five Thousand Dollars (\$25,000.00) which shall be a non-refundable deposit, pursuant to the terms of this Letter (the “Non-Refundable Deposit”).

7.2 From the date hereof until March 1, 2020 (the "**Exclusivity Period**"), the Parties agree to negotiate exclusively with one another with a view to executing the Definitive Agreements as soon as possible pursuant to the terms of this Letter. In consideration of the Non-Refundable Deposit, HealthCap agrees that, during the Exclusivity Period, neither it, nor any of its “Affiliates (as that term is defined by FASB Accounting Standards, (nor any of their respective representatives, officers, directors, employees, advisors or agents will, directly or indirectly, make, solicit or initiate enquiries from, or the submission of proposals or offers from, any other person relating to the Proposed Transaction or participate in any discussions or negotiations regarding, or furnish to any other person any further information with respect to, or otherwise co-operate in any way with, or assist or participate in or facilitate, any effort or attempt by any person to do or seek to do any of the foregoing; and, to the extent any such discussions or negotiations have occurred with third parties prior to the date hereof, they will be terminated immediately by HealthCap or its Affiliates. In addition, during the Exclusivity Period, HealthCap will notify CanadaCorp of any overture received from third parties relating to any transaction, including the material terms of any such transaction and, where available, any written communications relating to such overture.

7.3 Should CanadaCorp elect to not to proceed with the Proposed Transaction prior to the expiration of the Exclusivity Period and provide written notice of the same to HealthCap, or should the parties fail to enter into Definitive Agreements as of March 1, 2020, for any reason other than the inability of HealthCap to grant the license and distribution rights anticipated by the Proposed Transaction or adhere to any material elements of this Letter, this Letter shall terminate, the Non-Refundable Deposit shall be paid to HealthCap, and the parties will have no further obligations, each to the other. For purposes of clarity, and as more particularly set forth in the Escrow Agreement, the Non-Refundable Deposit shall not be released by the Escrow Agent without the signed written consent of both the CanadaCorp and HealthCap, or by judicial process. If the Parties enter into the Definitive Agreements, the Non-Refundable Deposit shall be applied to the Purchase Price.

8. MISCELLANEOUS

8.1 This Letter shall be governed by and construed in accordance with the laws of the State of New York, United States of America, without regard to the conflicts of law principles thereof. Any legal action brought under or in connection with this Agreement shall be brought only in the United States District Court for the Southern District of New York or, if such court would not have jurisdiction over the matter, then only in a New York State court sitting in the City of New York. Each party submits to the exclusive jurisdiction of these courts and agrees not to commence any legal action under or in connection with the subject matter of this Agreement in any other court or forum. Each party also irrevocably waives any and all right to, and shall not request, a trial by jury in any action, proceeding or counterclaim brought by one party against the other arising out of or related to this Agreement.


8.2 All references to “\$” in this Letter shall refer to USD.

- 8.3 No amendment to this Letter will be valid or binding unless set forth in writing and duly executed by each of the Parties hereto.
- 8.4 This Letter may be executed in any number of counterparts, each of which will be deemed to be an original and all of which taken together will be deemed to constitute one and the same instrument. Delivery of an executed signature page to this Letter by any Party by electronic transmission will be as effective as delivery of a manually executed copy of this Letter by such Party.
- 8.5 Each Party is at liberty to obtain independent legal advice concerning this letter of intent prior to signing it. Each Party acknowledges that it had the opportunity to seek independent legal advice.
- 8.6 Notices under this Letter shall be in writing and shall be given by (i) hand-delivery, or (iii) reliable international overnight commercial courier (charges prepaid), to the addresses of the Party as set forth at the top of this Letter. Notice by overnight courier shall be deemed to have been given and received on the date scheduled for delivery. A Party may change its address by giving written notice to the other Party as specified in this section.

April 6

ACCEPTED BY ALL OF THE UNDERSIGNED PARTIES ON THIS ~~22~~ DAY OF MARCH 2019.

CANADACORP INC.

Per: 
Michael Nguyen, Director

HEALTH CAP HOLDINGS, INC.

Per: 
Todd Donnelly, CEO/Director

April 6, 2019

[Signature Page to Letter of Intent dated ~~March 22~~, 2019] between CanadaCorp. and HealthCap]

ORGANIC FLOWER INVESTMENTS GROUP INC.

as Purchaser

and

CANUTRA NATURALS LTD.

as the Corporation

and

THE PERSONS IDENTIFIED ON SCHEDULE A TO THIS AGREEMENT

together, as Vendors

SHARE PURCHASE AGREEMENT

RE SHARES OF CANUTRA NATURALS LTD.

Dated as of May 30, 2019

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SHARE PURCHASE AGREEMENT

Share Purchase Agreement dated as of May 30, 2019 between Organic Flower Investments Group Inc. (the “**Purchaser**”), Canutra Naturals Ltd. (the “**Corporation**”) and the persons identified at Schedule “A” attached hereto (collectively, the “**Vendors**” and each individually a “**Vendor**”);

WHEREAS the Vendors are the holders of 61,398,387 Common shares and options and warrants to purchase Common shares (collectively, the “**Canutra Shares**”) in the capital of the Corporation.

AND WHEREAS the Canutra Shares (the “**Purchased Shares**”) represent all of the issued and fully diluted outstanding shares in the capital of the Corporation;

AND WHEREAS the Purchaser wishes to acquire the Purchased Shares and the Vendors wish to transfer the Purchased Shares to the Purchaser, in exchange for common shares of the Purchaser, on and subject to the terms and conditions set forth in this Agreement;

NOW, THEREFORE, THIS AGREEMENT WITNESSTH THAT, in consideration of the mutual covenants herein contained, it is agreed between the parties as follows:

ARTICLE 1 INTERPRETATION

1.1 Defined Terms.

As used in this Agreement, the following terms have the following meanings:

- (a) “**Accounts Receivable**” means all accounts receivable, notes receivable, and other debts due or accruing to the Corporation.
- (b) “**Agreement**” means this share purchase agreement.
- (c) “**Ancillary Agreements**” means all agreements, certificates and other instruments delivered or given pursuant to this Agreement, executed concurrently with this Agreement by, amongst others, the Purchaser and the Vendors.
- (d) “**Assets**” means the property and assets of the Corporation listed in Schedule 1.1(d).
- (e) “**Authorization**” means, with respect to any Person, any order, permit, approval, consent, waiver, licence, certificate, registration or similar authorization of any Governmental Entity having jurisdiction over the Person.
- (f) “**Books and Records**” means all information in any form relating to the Business of the Corporation.

- (g) “**Business**” means the Corporation’s operations consisting of the cultivation, extraction, manufacturing, and marketing of premium skincare, cosmetics and cannabinoid product lines from its flagship facility in Kent County, New Brunswick.
- (h) “**Business Day**” means any day of the year, other than a Saturday, Sunday or any day on which major banks are closed for business in Vancouver, British Columbia.
- (i) “**Closing**” means the completion of the transaction of purchase and sale contemplated in this Agreement on the Closing Date.
- (j) “**Closing Date**” means June 14, 2019 or such other date as the Parties may agree to in writing.
- (k) “**Closing Reorganization**” means the steps which shall occur immediately upon Closing which are described under Schedule 1.1(j).
- (l) “**Contract**” means any agreement, contract, lease, license, undertaking, engagement or commitment of any nature, written or oral.
- (m) “**Corporate Records**” means the corporate records of the Corporation including (i) all constating documents and by-laws, (ii) all minutes of meetings and resolutions of shareholders and directors, and (iii) the share certificate books, share register, register of transfers and register of directors.
- (n) “**Governmental Entity**” means (i) any national, provincial, municipal, local or other government, (ii) any department, commission, board, bureau, agency or authority of any government, or (iii) any quasi-governmental or private body exercising any regulatory, taxing or other governmental or quasi-governmental entity, including any stock exchange.
- (o) “**Laws**” means any and all applicable (i) laws, constitutions, statutes, codes, ordinances, orders, decrees, rules, regulations and by-laws, (ii) judgments, orders, writs, injunctions, decisions, awards and directives of any Governmental Entity.
- (p) “**Lien**” means any mortgage, charge, pledge, hypothec, security interest, assignment, lien (statutory or otherwise), conditional sale, deemed or statutory trust or other encumbrance of any nature which, in substance, secures payment or performance of an obligation.
- (q) “**Ordinary Course**” means, with respect to an action taken by a Person, that such action is consistent with the past practices of the Person and is taken in the ordinary course of the normal day-to-day operations of the Person.
- (r) “**Organic Flower Shares**” means, subject to Section 2.3(7), the common shares of the Purchaser.

- (s) “**Parties**” means the Vendor, the Purchaser, the Corporation and any other Person who may become a party to this Agreement, and “**Party**” shall mean any of them.
- (t) “**Permitted Liens**” means (i) Liens for Taxes not yet due and delinquent, (ii) undetermined or inchoate Liens arising or potentially arising under statutory provisions which have not at the time been filed or registered in accordance with applicable Laws or of which written notice has not been given in accordance with applicable Laws.
- (u) “**Person**” means a natural person, partnership, limited partnership, limited liability partnership, corporation, limited liability company, unlimited liability company, joint stock company, trust, unincorporated association, joint venture or other entity or Governmental Entity, and pronouns have a similarly extended meaning.
- (v) “**Securities Legislation**” means all securities laws and regulations applicable to the Purchaser under applicable Law, together with the policies, rules, guidelines, notices, rulings, orders and interpretation notes thereunder.
- (w) “**Tax Act**” means the *Income Tax Act*, R.S.C. 1985 (5th Supp.) c. 1, as amended.
- (x) “**Tax Returns**” means any and all returns, reports, declarations, elections, notices, forms, designations, filings, and statements (including estimated tax returns and reports, withholding tax returns and reports, and information returns and reports) filed or required to be filed in respect of Taxes.
- (y) “**Taxes**” means any and all taxes, duties, fees, excises, premiums, assessments, imposts, levies and other charges or assessments of any kind whatsoever imposed by any Governmental Entity, in any jurisdiction, including those levied on, or measured by, or described with respect to, income, gross receipts, profits, gains, windfalls, capital, capital stock, production, recapture, license, gift, harmonized sales, use, value-added, excise, withholding, employee health, payroll, workers' compensation, utility, and including all license and registration fees and all employment insurance, health insurance and government pension plan premiums or contributions.
- (z) “**Third Party**” means any Person other than the Parties to this Agreement.
- (aa) “**Third Party Claim**” means any action, suit, proceeding, arbitration, claim or demand that is instituted or asserted by a third party, including a Governmental Entity, against an indemnified Person which entitles the indemnified Person to make a claim for indemnification under this Agreement.
- (bb) “**Value of the Organic Flower Shares**” means the value of the Organic Flower Shares calculated based upon the 5-day VWAP for shares of Organic

Flower Investment Group Inc. on each date that a payment is due to the Vendors by the Purchaser pursuant to Sections 2.3(3) and 2.3(4) hereof, if any, where such payment is to be made in Organic Flower Shares.

1.2 Other Defined Terms

In addition to the defined terms in Section 1.1, each of the following capitalized terms shall have the meaning ascribed thereto in the corresponding Section:

<u>Defined Term</u>	<u>Section</u>
Canutra Shares	Recitals
Corporation	Recitals
Dispute	9.8
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Public Statement	9.4
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Purchased Shares	Recitals
Purchaser.....	Recitals
Vendors	Recitals

1.3 Gender and Number.

Any reference in this Agreement to gender includes all genders. Words importing the singular number only shall include the plural and vice versa.

1.4 Headings, etc.

The provision of the Table of Contents, the division of this Agreement into Articles and Sections and the insertion of headings are for convenient reference only and are not to affect its interpretation.

1.5 Currency.

All references in this Agreement to dollars, or to \$ are expressed in currency of Canadian Dollars unless otherwise specifically indicated (CAD).

1.6 Certain Phrases, etc.

In this Agreement (i) the words “**including**”, “**includes**” and “**include**” mean “**including (or includes or include) without limitation**”, and (ii) phrases “**the aggregate of**”, “**the total of**”, “**the sum of**”, or a phrase of similar meaning means “**the aggregate (or total or sum), without duplication, of**”. Unless otherwise specified, the words “**Article**” and “**Section**” followed by a number mean and refer to the specified Article or Section of this Agreement.

1.7 Accounting Terms.

All accounting terms not specifically defined in this Agreement are to be interpreted in accordance with Generally Accepted Accounting Principles (“GAAP”).

1.8 Schedules.

The schedules attached to this Agreement form an integral part of this Agreement for all purposes of it. The inclusion of any information in any schedule (or any update thereof) shall not be deemed to be an acknowledgement, in and of itself, that such information is required to be disclosed or is material.

1.9 Overlapping Representations

Any representation and warranty given by a Party in this Agreement or any Ancillary Agreement shall not be deemed to be limited or qualified solely because a similar or more general representation and warranty given by such Party in this Agreement or any Ancillary Agreement is limited or qualified.

1.10 Non-Business Days.

Whenever payments are to be made or an action is to be taken on a day which is not a Business Day, such payment shall be made or such action shall be taken on or no later than the next succeeding Business Day.

1.11 References to Persons and Agreements.

Any reference in this Agreement or any Ancillary Agreement to a Person includes its heirs, administrators, executors, legal personal representatives, successors and permitted assigns. The term “Agreement” and any reference in this Agreement to this Agreement, any Ancillary Agreement or any other agreement or document includes, and is a reference to, this Agreement, such Ancillary Agreement or such other agreement or document as it may have been, or may from time to time be amended, restated, replaced, supplemented or novated and includes all schedules to it.

1.12 Statutes.

Except as otherwise provided in this Agreement, any reference in this Agreement to a statute refers to such statute and all rules and regulations made under it, as it or they may have been or may from time to time be amended or re-enacted.

ARTICLE 2 PURCHASED SHARES AND PURCHASE PRICE

2.1 Purchase and Sale.

Subject to the terms and conditions of this Agreement, the Vendors agree to sell, assign and transfer to the Purchaser and the Purchaser agrees to purchase from the Vendors effective on

the Closing Date all of the issued and outstanding shares of the Corporation being the Purchased Shares.

2.2 Purchase Price.

The consideration payable by the Purchaser to the Vendors for the purchase of the Purchased Shares is Ten Million (\$10,000,000) CAD (the “**Purchase Price**”) payable by the issuance of the Organic Flower Shares.

2.3 Payment of the Purchase Price at Closing and Payment at Milestones.

- (1) On the Closing Date, the Purchase Price shall be paid and satisfied, by the payment of the Purchase Price to the Vendor pursuant to Section 2.4, by the Purchaser issuing to Vendors, in the aggregate, (as described in Section 2.4) Organic Flower Shares valued in accordance with Section 2.3(2) at the aggregate amount of a maximum of Ten Million (\$10,000,000) CAD;
- (2) The Purchase Price in Section 2.3(1) shall be paid utilizing the closing price of the Organic Flower Shares as of the date hereof, up to a maximum value of \$0.50 per Organic Flower Share. For greater certainty, for the purposes of Sections 2.3(1) and 2.3(2) the Organic Flower Shares shall be priced prior to any Public Statement made by the Parties pursuant to Section 9.4;
- (3) Co-Packer Acquisition Milestone (“**Co-Packer Performance Bonus**”) – In addition to the payment of the Purchase Price on Closing, the Purchaser shall pay to the Vendors an additional Two Million (\$2,000,000) CAD payable by the issuance of Organic Flower Shares based on the Value of the Organic Flower Shares when the Corporation completes the acquisition of 100% of **SAVONNERIE OLIVIER SOAPERY** (“**Co-Packer Acquisition**”) at an aggregate purchase price equal to or less than Two Million (\$2,000,000) CAD with no more than Seven Hundred Fifty Thousand (\$750,000) CAD in cash; and
- (4) Grant Funding Milestone (“**Grant Funding Performance Bonus**”) – In addition to the payment of the Purchase Price on Closing and the payment of the Co-Packer Performance Bonus (if applicable), the Purchaser shall pay to the Vendors an amount equal to Twenty Percent (20%) of grant funding obtained by the Corporation on or before April 30, 2020 granted by any provincial or federal (Canada) government related body or division in favour of the Corporation (the “**Grant**”), payable *pro rata* to the Vendors by the issuance of Organic Flower Shares based on the Value of the Organic Flower Shares when the Corporation receives such Grant.
- (5) The Corporation and the Vendors acknowledge that upon completion of the transactions contemplated in this Agreement, the Purchaser intends to sell the Purchased Shares along with other assets, to AgraFlora Organics International Inc. (“**Agra**”) pursuant to a binding letter of intent between the Purchaser and Agra dated May 22, 2019 (the “**Asset Sale**”). It is currently contemplated that the sale price for the Asset Sale will be comprised of 1.15 shares of Agraflora for each one (1) issued and outstanding share of the Purchaser

at the time of closing of the Asset Sale, with the consideration being paid directly to the Purchaser.

- (6) In the event that the Purchaser, or the Purchased Shares held by the Purchaser following Closing, is acquired by a Third Party including, for greater certainty, Agra (a “**Third Party Acquiror**”) pursuant to any change of control transaction including, for greater certainty, the Asset Sale (an “**Organic Change of Control Transaction**”), the Co-Packer Performance Bonus and the Grant Funding Performance Bonus obligations contemplated by this Agreement, and the Purchase Price payment obligation pursuant to Section 2.3(1) to the extent such Organic Change of Control Transaction completes prior to Closing, shall be payable to the Vendors by the issuance of shares of the Third Party Acquiror (the “**Acquiror Shares**”) and, for greater certainty, the Acquiror Shares received by the Vendors shall be valued in an identical manner as the Acquiror Shares received by the Purchaser’s shareholders pursuant to any Organic Change of Control Transaction.
- (7) For greater certainty, in the event of an Organic Change of Control Transaction, all references to “the Purchaser” in this Agreement shall be references to the Third Party Acquiror, and all references to “Organic Flower Shares” shall be references to the Acquiror Shares issued pursuant to any Organic Change of Control Transaction.

2.4 Payment of the Purchase Price to the Vendor.

- (1)
 - (a) The Purchase Price relating to the Purchased Shares shall be paid by the Purchaser issuing to the Vendors fully paid and non-assessable Organic Flower Shares representing an aggregate consideration and value of Ten Million (\$10,000,000) CAD pursuant to and subject to Sections 2.3(1) and 2.3(2);
 - (b) The Co-Packer Performance Bonus relating to the Co-Packer Acquisition shall be paid by the Purchaser issuing to the Vendors fully paid and non-assessable Organic Flower Shares representing an aggregate consideration and value of Two Million (\$2,000,000) CAD pursuant to and subject to Section 2.3(3); and
 - (c) The Grant Funding Performance Bonus relating to the Grant shall be paid by the Purchaser issuing to the Vendors fully paid and non-assessable Organic Flower Shares representing an aggregate consideration and value to Twenty-Percent (20%) of the Grant amount pursuant to and subject to Section 2.3(4).
- (2) The Vendors acknowledge and agree that the Organic Flower Shares issued to them hereunder shall be subject to a hold period of four (4) months and one (1) day from the date of issuance.

The above transactions shall take place in accordance with Articles 5 and 7 hereof.

ARTICLE 3 REPRESENTATIONS AND WARRANTIES OF THE VENDOR

3.1 Representations and Warranties of the Vendors.

Each Vendor severally (and not jointly and severally) represents and warrants as follows to the Purchaser and acknowledges and agrees that the Purchaser is relying upon the representations and warranties in connection with its purchase of the Purchased Shares. All of the representations and warranties set out in this Article 3 are given by the Vendors in accordance with the principles set out in Section 9.6. The following representations and warranties are, unless otherwise specified, given as of the Closing Date.

- (a) **Due Authorization.** The performance by the Vendor of this Agreement and the consummation of the transaction contemplated hereunder have been duly authorized by all necessary actions on the part of the Vendor.
- (b) **Execution and Binding Obligation.** This Agreement have been duly executed and delivered by the Vendor and constitutes a legal, valid and binding obligation and is enforceable subject only to any limitation under applicable laws relating to (i) bankruptcy, winding-up, insolvency, arrangement, fraudulent preference and conveyance, assignment and preference and other similar laws of general application affecting creditors' rights, and (ii) the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction.
- (c) **Title to the Purchased Shares.** The Purchased Shares are owned by the Vendor as the registered and legal owner with a good title, free and clear of all Liens. Upon completion of the transaction contemplated by this Agreement, the Purchaser will have good and valid title to the Purchased Shares, free and clear of all Liens.

3.2 Representations and Warranties of the Corporation

The Corporation represents and warrants as follows to the Purchaser and acknowledges and agrees that the Purchaser is relying upon the representations and warranties in connection with its purchase of the Purchased Shares. The following representations and warranties are, unless otherwise specified, given as of the Closing Date.

Corporate Matters

- (a) **Incorporation and Qualification.** The Corporation is a corporation incorporated and existing under the laws of the province of British Columbia and has the power to own and operate its property, carry on its business and enter into and perform its obligations under this Agreement.
- (b) **Due Authorization.** The performance by the Corporation of this Agreement and the consummation of the transaction contemplated hereunder have been duly authorized by all necessary actions on the part of the Corporation.

- (c) **Directors and Officers.** The directors of the Corporation are as listed below and are duly elected and appointed and the officers of the Corporation are as listed below and such officers have been duly appointed by the directors of the Corporation.

Director or Officer's Name and Address	Date Elected as Director	Date Ceased as Director	Title	Date Appointed as Officer	Date Appointed as Officer
Neil Hill Morgan #703 - 220 TOWNSITE ROAD NANAIMO BC V9S 5S8	2014-04-01		Director President		
Antony Harris 6470 PTARMIGAN WAY NANAIMO BC V9V 1V7	2018-03-28		Director Chief Executive Officer		
Stewart Mills 5402-40TH AVENUE BEAUMONT AB T4X 1L9			Executive Officer VP Business Development	2018-11-06	
Norris Phillippe 5076 JOHNSON ROAD PO BOX 64 MADEIRA PARK BC V0N 2H0			Executive Officer VP Corporate Development	2018-11-06	
Lucas Russell 1330 JOHNSON ST VICTORIA BC V8V 3P1			Executive Officer VP Product Development and Operations	2018-11-06	
Elizabeth Liu 301-535 NICOLA ST VANCOUVER BC V6G 3G3	2018-11-13		Director		

- (d) **No Conflict.** Except for the consents, approvals and waivers described in Schedule 3.2(f), the execution and delivery of and performances by the Corporation of this Agreement and any Ancillary Agreements to which it is a party:

- (i) do not and will not (or would not with the giving of notice, the lapse of time or the happening of any other event or condition) constitute or result in a violation or breach of, or conflict with, or allow any Person to exercise any rights under any of the terms or provisions of its constating documents or by-laws;
- (ii) do not and will not (or would not with the giving of notice, the lapse of time or the happening or any other event or condition) constitute or result in a breach (in any material respect) or violation of (in any material respect), or conflict with (in any material respect) or allow any Person to exercise any rights under, any of the terms or provisions of any Contracts, or instruments (in any material respect) to which they are a party or to which the Corporation pursuant to which any of their assets or property is a party may be affected;
- (iii) do not and will not result in a breach (in any material respect), or cause the termination or revocation of, any Authorization held by the Corporation or necessary to the ownership of the Purchased Shares or the operation of the Business; and
- (iv) do not and will not result in the violation of any Law, in any material respect.

- (e) **Required Authorizations.** There is no requirement for the Corporation to make any filing with, give any notice to, or obtain any Authorization of, any Governmental Entity as a condition to the lawful completion of the transactions contemplated by this Agreement, except for the filings, notifications and Authorizations described in Schedule 3.2(e).
- (f) **Required Consents.** Except for the consents, approvals and waivers described in Schedule 3.2(f), there is no requirement to obtain any consent, approval or waiver of a party under any Contract to which the Corporation is a party for the completion of any of the transactions contemplated by this Agreement.
- (g) **Execution and Binding Obligation.** This Agreement have been duly executed and delivered by the Corporation and constitutes a legal, valid and binding obligation and is enforceable subject only to any limitation under applicable laws relating to (i) bankruptcy, winding-up, insolvency, arrangement, fraudulent preference and conveyance, assignment and preference and other similar laws of general application affecting creditors' rights, and (ii) the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction.
- (h) **Residence of the Vendors.** Each Vendor is not a non-resident of Canada within the meaning of the Tax Act.
- (i) **Authorized and Issued Capital of the Corporation.** The authorized and issued capital of the Corporation is described under Schedule 3.2(i) and all the outstanding shares of the Corporation have been duly issued and are outstanding as fully paid and non-assessable.
- (j) **No Other Agreements to Purchase.** Except for the Purchaser's right under this Agreement, and rights pursuant to options and warrants to purchase Common shares of the Corporation, which options and warrants are issued and outstanding as of the date hereof, no Person has any written or oral agreement, option or warrant or any right or privilege (whether by Law, pre-emptive or contractual) capable of becoming such for (i) the purchase or acquisition of any of the Purchased Shares, or (ii) the purchase, subscription, allotment or issuance of any of the unissued shares or other securities of the Corporation.
- (k) **Purchased Shares.** The Purchased Shares represent all, and no less than all, of the issued and outstanding shares in the Corporation.
- (l) **Corporate Records.** The Corporate Records are complete and accurate and all corporate proceedings and actions reflected in the Corporate Records have been conducted or taken in compliance with all applicable Laws and with the constating documents and by-laws of the Corporation. True, correct and

complete copies of the Corporate Records have been made available to the Purchaser.

- (m) **Subsidiaries.** The Corporation owns all of the issued and outstanding shares of 691754 N.B. Ltd.

General Matters Relating to the Business

- (n) **Conduct of Business in Ordinary Course.** Since March 31, 2019, the Business has been carried on in the Ordinary Course. Without limiting the generality of the foregoing, since April 8, 2019, the Corporation has not, except as provided in Schedule 3.2(n):
 - (i) sold, transferred or otherwise disposed of or diminished the value of any Assets except for Assets not agreed to be owned by the Corporation at the time the Purchased Shares are Purchased;
 - (ii) made any capital expenditure or commitment to do so which individually or in the aggregate exceeded \$50,000, except in the Ordinary Course;
 - (iii) discharged any secured or unsecured obligation or liability (whether accrued, absolute, contingent or otherwise) which individually or in the aggregate exceeded \$50,000, except in the Ordinary Course;
 - (iv) declared a dividend, made a distribution, made any bonus or profit sharing distribution or similar payment of any kind;
 - (v) made any loans or advances to any of their shareholders or other related parties of the Corporation; or
 - (vi) authorized, agreed or otherwise committed, whether or not in writing, to do any of the foregoing.
- (o) **Compliance with Laws.** The Corporation is conducting and has always conducted its business and any past business in compliance with all applicable Laws, other than acts of non-compliance which, individually or in the aggregate, are not material.
- (p) **Authorizations.** The Corporation owns, holds, possesses or lawfully uses in the operation of the Business, all Authorizations which are necessary for it to conduct the Business as presently or previously conducted or for the ownership and use of the Assets in compliance with all applicable Laws, provided it receives a license or licenses from Health Canada to operate the Business. Each Authorization is valid, subsisting and in good standing, the Corporation is not in default (in any material respect) or breach (in any material respect) of any Authorization and, to the knowledge of the Corporation, no proceeding is pending or threatened to revoke or limit any

Authorization. All Authorizations are renewable by their terms in the Ordinary Course of business without the need for the Corporation to comply with any special rules or procedures, agree to any materially different terms or conditions or pay any amounts other than routine filing fees.

Matters Relating to the Assets

- (q) **Sufficiency of Assets and Business.** The Business is the only business operation carried on by the Corporation. The Assets owned by the Corporation immediately prior to the Closing Date include all rights and property necessary to enable the Corporation to conduct the Business after the Closing Date substantially in the same manner as it was conducted prior to the Closing Date subject to receipt of a license or licenses from Health Canada.
- (r) **Title to the Assets.** The Corporation owns (with good title) all of the properties and assets (whether real, personal or mixed and whether tangible or intangible) that it purports to own including all the properties and assets reflected as being owned by the Corporation in its financial Books and Records. The Corporation has legal and beneficial ownership of the Assets free and clear of all Liens, except for Permitted Liens.
- (s) **No Options, etc. to Purchase Assets.** No Person has any written or oral agreement, option, understanding or commitment, or any right or privilege capable of becoming such for the purchase or other acquisition from the Corporation of any of the Assets.
- (t) **Leases.** The Corporation is not a party to, or under any agreement to become a party to, any lease with respect to real property.
- (u) **Material Contracts.** Except for the Contracts described in Schedule 3.2(u) (collectively, the “**Material Contracts**”), the Corporation is not a party to or bound by any Material Contracts.
- (v) **No Breach of Material Contracts.** The Corporation has performed all of the obligations required to be performed by it and is entitled to all benefits under the Material Contracts. To the knowledge of the Corporation, the Corporation is not alleged to be in default of any Material Contract. Each of the Material Contracts is in full force and effect, unamended, and there exists no material default or material event of default or material event, occurrence, condition or act (including the purchase of the Purchased Shares) which, with the giving of notice, the lapse of time or the happening of any other event or condition, would become a default or event of default under any Material Contract. True, correct and complete copies of all Material Contracts have been made available to the Purchaser.
- (w) **No Liabilities.** Except as set out in Schedule 3.2(w), the Corporation has no liabilities or obligations of any nature whatsoever, to become due, direct,

indirect, absolute, contingent or otherwise and whether or not required to be accrued on the financial statements.

(x) **Employees.** Except as set out in Schedule 3.2(y), the Corporation has no employees.

(y) **Claims against the Corporation**

(i) There are no (i) actions, suits, proceedings or warranty claims, at law or in equity, by any Person, (ii) any grievance, arbitration or alternative dispute resolution process, or (iii) administrative or other proceeding by or before (or to the knowledge of the Corporation any investigation by) any Governmental Entity, pending or, to the knowledge of the Corporation, threatened against or affecting the Corporation, the Business or any of the Assets. To the knowledge of the Corporation, there is no valid basis for any action, complaint, grievance, suit, proceeding, arbitration or investigation by or against the Corporation. The Corporation is not subject to any judgment, order or decree entered in any lawsuit or proceeding.

(z) **Claims Filed by the Corporation.** The Corporation is not a plaintiff or complainant in any action, suit or proceeding, grievance, arbitration or alternative dispute resolution process.

(aa) **Taxes.**

(i) The Corporation has filed or caused to be filed with the appropriate Governmental Entity, within the times and in the manner prescribed by applicable Law, all federal, provincial, local and foreign Tax Returns which are required to be filed by or with respect to it. The information contained in such Tax Returns is correct and complete and such Tax Returns reflect accurately all liability for Taxes of the Corporation for the periods covered thereby.

(ii) There are no claims, actions, suits, audits, proceedings, investigations or other action that have been commenced or, to the knowledge of the Corporation, threatened or pending against the Corporation in respect of Taxes and, the Corporation has never received notice that any such claim, action, suit, audit, proceeding, investigation or other action may be asserted against the Corporation by a Governmental Entity. The Corporation is not negotiating any final or draft assessment or reassessment in respect of Taxes with any Governmental Entity. The Corporation has never received any indication from any Governmental Entity that an assessment or reassessment is proposed or may be proposed in respect of any Taxes. There are no facts of which the Corporation is aware which would constitute grounds for the assessment or reassessment of Taxes payable by the Corporation,

except in respect of Taxes that are provided for in the Books and Records. To the knowledge of the Corporation, there are no contingent liabilities of the Corporation for Taxes or any grounds for an assessment or reassessment of Taxes including, without limitation, the treatment of income, expenses, credits or other claims for deduction under any Tax Return.

- (bb) **Closing Reorganization.** On the Closing Date, the Closing Reorganization will be duly and validly completed in accordance with all applicable Laws.
- (cc) **Due To or From Related Parties.** Prior to the Closing Date, all advances, to the extent applicable, made between any of the Vendors and the Corporation were duly repaid.
- (dd) **Full Disclosure.** This Agreement does not contain any untrue statement of a material fact in respect of the affairs, prospects, operations or condition of the Corporation, the Assets or the Business.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES OF THE PURCHASER

4.1 Representations and Warranties of the Purchaser.

The Purchaser represents and warrants as follows to the Vendors and acknowledges and agrees that the Vendors are relying on such representations and warranties in connection with the sale of the Purchased Shares. The following representations and warranties are, unless otherwise specified, given as of the Closing Date.

- (a) **Incorporation and Corporate Power.** The Purchaser is a corporation incorporated and existing under the *Business Corporation Act* S.B.C. 2002, c. 57. The Purchaser has the corporate power and authority to enter into and perform its obligations under this Agreement and any Ancillary Agreement to which it is a party.
- (b) **Corporate Authorization.** The execution and delivery of and performance by the Purchaser of this Agreement and the consummation of the transactions contemplated by it have been duly authorized by all necessary corporate action on the part of the Purchaser.
- (c) **No Conflict.** The execution and delivery of and performance by the Purchaser of this Agreement and any applicable Ancillary Agreements to which it is a party:
 - (i) do not and will not (or would not with the giving of notice, the lapse of time or the happening of any other event or condition) constitute or result in a violation or breach of, or conflict with, or allow any other

Person to exercise any rights under, any of the terms or provisions of its constating documents or by-laws;

- (ii) do not and will not (or would not with the giving of notice, the lapse of time or the happening or any other event or condition) constitute or result in a breach (in any material respect) or violation of (in any material respect), or conflict with (in any material respect) or allow any other Person to exercise any rights under, any of the terms or provisions of any Contracts or instruments to which it is a party; and
 - (iii) do not and will not result in the violation of any Law in any material respect.
- (d) **Execution and Binding Obligation.** This Agreement has been duly executed and delivered by the Purchaser and constitute legal, valid and binding agreements of the Purchaser, enforceable against it in accordance with their respective terms subject only to any limitation under applicable Laws relating to (i) bankruptcy, winding-up insolvency, arrangement, fraudulent preference and conveyance, assignment and preference and other similar laws of general application affecting creditors' rights, and (ii) the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction.
- (e) **Securities Legislation.** The issuance of the Organic Flower Shares by the Purchaser to the Vendors pursuant to this Agreement is an "exempt distribution" under all applicable Securities Legislation.

ARTICLE 5 CLOSING DELIVERIES

5.1 Closing Deliveries of the Vendors.

On the Closing Date, the Corporation or the Vendors, as the case may be, shall deliver or cause to be delivered to the Purchaser all documents that are the responsibility of the Vendors or the Corporation, as the case may be, in form and substance satisfactory to the Purchaser acting reasonably, including but not limited to the following documents:

- (a) share certificates representing the Purchased Shares, accompanied by stock transfer powers duly executed in blank or duly executed instruments of transfer, and all such other assurances, consents and other documents as the Purchaser may reasonably request to effectively transfer to the Purchaser title to the Purchased Shares free and clear of all Encumbrances;
- (b) a certified copy of a resolution of the board of directors of the Corporation consenting to the transfer of the Purchased Shares from the Vendors to the Purchaser as contemplated by this Agreement and authorizing the execution, delivery and performance of this Agreement and of all contracts, agreements,

instruments, certificates and other documents required by this Agreement to be delivered by the Corporation;

- (c) a certificate of status of the Corporation;
- (d) elections under section 85 of the Tax Act in prescribed form and elections in prescribed form under the corresponding provision of applicable provincial income tax statutes in accordance with Section 7.1; and
- (e) such other documentation as the Purchaser or its legal counsel may reasonably request.

5.2 Closing Deliveries of the Purchaser.

On the Closing Date, the Purchaser shall deliver or cause to be delivered to the Vendors all documents that are the responsibility of Purchaser, in form and substance satisfactory to the Vendors acting reasonably, including but not limited to the following documents:

- (a) the payment of the Purchase Price that is due on the Closing Date for the Purchased Shares by issuance of the Organic Flower Shares based upon the closing price of the Organic Flower Shares as determined pursuant to Sections 2.3(1) and 2.3(2), to the account of the Vendors or as the Vendors may direct;
- (b) a certified copy of a resolution of the board of directors of the Purchaser authorizing the Purchaser's execution, delivery and performance of this Agreement and of all contracts, agreements, instruments, certificates and other documents required by this Agreement to be delivered by the Purchaser;
- (c) elections under section 85 of the Tax Act in prescribed form and elections in prescribed form under the corresponding provision of applicable provincial income tax statutes in accordance with Section 7.1; and
- (d) such other documentation as the Vendor or their legal counsel may reasonably request.

ARTICLE 6 POST-CLOSING COVENANTS OF THE PARTIES

6.1 Survival of the Contracts.

The Vendors will use commercially reasonable efforts to cooperate with the Purchaser and the Corporation to obtain all consents, approvals and waivers that are required by the terms of the Contracts to which the Corporation is a party in order to complete the transactions contemplated by this Agreement. Such consents, approvals and waivers will be upon such terms as are acceptable to the Purchaser, acting reasonably.

6.2 Filings and Authorizations.

The Vendors and the Purchaser, as promptly as practicable after the execution of this Agreement, will (i) make, or cause to be made, all filings and submissions under all Laws applicable to it, that are required for it to consummate the purchase and sale of the Purchased Shares in accordance with the terms of this Agreement, (ii) use commercially reasonable efforts to obtain, or cause to be obtained, all Authorizations necessary or advisable to be obtained by it in order to consummate such transfer, and (iii) use commercially reasonable efforts to take, or cause to be taken, all other actions necessary, proper or advisable in order for it to fulfill its obligations under this Agreement.

6.3 Closing Reorganization

After Closing, the Vendors and the Corporation will use commercially reasonable efforts to cooperate with the Purchaser to execute all documentation and make, or cause to be made, all post Closing filings and submissions as required in connection with the Closing Reorganization in accordance with all applicable Laws.

6.4 Confidentiality.

After the Closing, the Vendor will keep confidential all information in their possession or under their control relating to the Corporation and the Business, unless such information is or becomes generally available to the public other than as a result of a disclosure by the Vendors in violation of this Agreement, or unless the Vendors are required by Law to disclose such information.

6.5 Performance Bonuses

Notwithstanding the Closing Date, the Purchaser shall remain liable for future payments due with respect to payments due on each milestone date set out in Section 2.3 hereof.

6.6 Further Assurances.

From time to time after the Closing Date, each Party shall, at the request of any other Party, execute and deliver such additional conveyances, transfers and other assurances as may be reasonably required to effectively transfer the Purchased Shares to the Purchaser and carry out the intent of this Agreement.

6.7 Capital Funding Requirement.

Commencing on the Closing Date, the Purchaser will fund the Corporation's ongoing capital requirements as outlined in Schedule 6.7 attached hereto. In the event of an Organic Change of Control Transaction, reference to "the Purchaser" in this Section 6.7 shall be references to the Third Party Acquiror.

6.8 Executive Employment Agreement.

The Corporation and the Vendor shall proceed to diligently negotiate and finalize a definitive executive employment agreement for Mr. Antony Harris as Chief Executive Officer of the Corporation substantially on the terms set out at Schedule 6.8 attached hereto.

ARTICLE 7 SECTION 85 ELECTION

7.1 Section 85 Election

- (1) It is intended that the transfer hereunder of the Purchased Shares be on a tax deferred basis to the Vendors for purposes of the Tax Act and applicable provincial income tax statutes. In order to give effect to this intention, the Vendors and the Purchaser shall, in a timely manner, jointly execute and file elections under Section 85 of the Tax Act in prescribed form and elections in prescribed form under the corresponding provisions of applicable provincial income tax statutes in respect of the transfer hereunder of the Purchased Shares. The elected amounts (the “**Elected Amounts**”) for purposes of each such election will be determined by the Vendors in a manner consistent with the above-described intention.
- (2) If the Vendors and the Purchaser subsequently mutually determine, or if the Canada Revenue Agency or any other taxing authority issues, or proposes to issue, assessments or reassessments of additional liability for taxes or in respect of any other matter by reason of asserting that an elected amount is more or less than the Elected Amounts for the Purchased Shares as determined by the Vendor, then the Elected Amounts shall be increased or decreased as necessary but only to the extent that the Elected Amounts so revised is acceptable to the parties hereto, as the case may be, or is established by a court of competent jurisdiction (after all appeal rights have been exhausted or all time periods for appeal have expired without appeals having been taken) to be the Elected Amounts, as the case may be.
- (3) If an Elected Amount is varied in the circumstances described in paragraph (2) above, the Vendor and the Purchaser shall file a revised election(s) under the provisions of subsection 85(1) of the Tax Act and the corresponding provisions of all applicable provincial income tax statutes to give effect to the variation.

ARTICLE 8 INDEMNIFICATION

8.1 Survival.

- (1) The representations and warranties contained in this Agreement will survive the Closing and continue in full force and effect for a period of two (2) years after the Closing Date.

- (2) No Party has any obligation or liability with respect to any representation or warranty made by such Party in this Agreement after the end of the applicable time period specified in Section 8.1(1) except for claims relating to the representations and warranties that the Party has been notified of prior to the end of the applicable time period.

8.2 Indemnification in Favour of the Purchaser.

- (1) Subject to Sections 8.1 and 8.4 , each Vendor will severally (and not jointly and severally) indemnify and save the Purchaser and its respective shareholders, directors, officers, employees, agents and representatives harmless of and from, and will pay for, any damages suffered by, imposed upon or asserted against it or any of them as a result of, in respect of, connected with, or arising out of, under, or pursuant to:
 - (a) any breach or inaccuracy of any representation or warranty given by the Vendor contained in this Agreement;
 - (b) any failure of the Vendor to perform or fulfill any of its covenants or obligations under this Agreement; and
 - (c) any failure of the Vendor to transfer good and valid title to the Purchased Shares to the Purchaser, free and clear of all Liens.

8.3 Indemnification in Favour of the Vendors.

- (1) Subject to Section 8.1, the Purchaser will indemnify and save the Vendors, harmless of and from, and will pay for, any damages suffered by, imposed upon or asserted against it or any of them as a result of, in respect of, connected with, or arising out of, under or pursuant to:
 - (a) any breach or inaccuracy of any representation or warranty given by the Purchaser contained in this Agreement; and
 - (b) any failure of the Purchaser to perform or fulfill any of its covenants or obligations under this Agreement.

8.4 Limitations

Notwithstanding the foregoing, the indemnification obligations of each Vendor pursuant to Section 8.2 shall not exceed, in the aggregate, the amount that is 100% of the portion of the Purchase Price paid to such Vendor at the Closing Date in respect to such Vendor's proportion of the Purchased Shares.

ARTICLE 9 MISCELLANEOUS

9.1 Notices.

Any notice, direction or other communication (each a “**Notice**”) given regarding the matters contemplated by this Agreement must be in writing, sent by personal delivery, courier or facsimile and addressed:

- (a) to the Vendors and the Corporation, as applicable, at:

c/o Canutra Naturals Ltd.
2525 Bowen Road,
Nanaimo, BC V9T 3L2

Attention: Tony Harris
Telephone: 250-668-8669
Email: tony@canutra.org

- (b) to the Purchaser at:

Organic Flower Investments Group Inc.
789 West Pender Street
Suite 910
Vancouver, BC, V6C 1H2
Canada

Attention: Joel Dumaresq
Email: joel@pashleth.com

A Notice is deemed to be delivered and received (i) if sent by personal delivery or email, on the date of delivery if it is a Business Day and the delivery was made prior to 4:00 p.m. (local time in place of receipt) and otherwise on the next Business Day, (ii) if sent by same-day service courier, on the date of delivery if sent on a Business Day and delivery was made prior to 4:00 p.m. (local time in place of receipt) and otherwise on the next Business Day, (iii) if sent by overnight courier, on the next Business Day, or (iv) if sent by facsimile, on the Business Day following the date of confirmation of transmission by the originating facsimile. A Party may change its address for service from time to time by providing a Notice in accordance with the foregoing. Any subsequent Notice must be sent to the Party at its changed address. Any element of a Party's address that is not specifically changed in a Notice will be assumed not to be changed. Sending a copy of a Notice to a Party's legal counsel as contemplated above is for information purposes only and does not constitute delivery of the Notice to that Party. The failure to send a copy of a Notice to legal counsel does not invalidate delivery of that Notice to a Party.

9.2 Time of the Essence.

Time is of the essence in this Agreement.

9.3 Covenant on Brokers.

The Vendors shall indemnify and save harmless the Purchaser and the Corporation from and against any and all claims, losses and costs whatsoever for any commission or other remuneration payable or alleged to be payable to any broker, agent or other intermediary who purports to act or have acted for the Vendors or the Corporations. The Purchaser shall indemnify and save harmless the Vendors from and against any and all claims, losses and costs whatsoever for any commission or other remuneration payable or alleged to be payable to any broker, agent or other intermediary who purports to act or have acted for the Purchaser.

9.4 Announcements.

No press release, public statement or announcement or other public disclosure (a “**Public Statement**”) with respect to this Agreement or the transactions contemplated in this Agreement may be made except with the prior consent of the Purchaser. Where the Public Statement is required by Law or a Governmental Entity, the Party required to make the Public Statement will use its reasonable efforts to obtain the approval of the other Party as to the form, nature and extent of the disclosure.

9.5 Third Party Beneficiaries.

Except as otherwise provided herein, the Vendors and the Purchaser intend that this Agreement will not benefit or create any right or cause of action in favour of any Person, other than the Parties. Except for the Indemnified Persons or as otherwise provided herein, no Person, other than the Parties, shall be entitled to rely on the provisions of this Agreement in any action, suit, proceeding, hearing or other forum. The Parties reserve their right to vary or rescind the rights at any time and in any way whatsoever, if any, granted by or under this Agreement to any Person who is not a Party, without notice to or consent of that Person, including any Indemnified Person.

9.6 Liability.

Each Vendor is liable, severally, as principal obligor and not as surety, with respect to all of the representations, warranties, covenants, indemnities and agreements made by such Vendor contained in this Agreement and each Ancillary Agreement.

9.7 Expenses.

Except as otherwise expressly provided in this Agreement, each Party will pay for its own costs and expenses incurred in connection with this Agreement and the transactions contemplated by them. The fees and expenses referred to in this Section are those which are incurred in connection with the negotiation, preparation, execution and performance of this Agreement, and the transactions contemplated by this Agreement, including the fees and expenses of legal counsel, investment advisers and accountants.

9.8 Arbitration

- (1) Settling Disputes

If any dispute, claim, question or difference arising out of or in connection with the Agreement, or in respect of any legal relationship associated with or derived from the Agreement (a “**Dispute**”), the Parties shall attempt to settle the Dispute by negotiation. If the Dispute has not been resolved, for any reason, within 30 Business Days following delivery of a notice of Dispute, the Dispute will be resolved by arbitration as provided in Section 9.8(2).

(2) Arbitration

- (a) A Party may commence arbitration in respect of a Dispute by delivering to the other Party and to the ADR Institute of Canada Inc. a written notice of arbitration. The Dispute will be arbitrated and resolved under the *National Arbitration Rules* of the ADR Institute of Canada, Inc.
- (b) The place of arbitration will be Vancouver, BC and the language of the arbitration will be English.
- (c) The arbitration will be kept confidential and the existence of the proceeding and any element of it (including any pleadings, briefs or other documents submitted or exchanged, any testimony or other oral submissions and any awards) will not be disclosed beyond the arbitrator, the Parties, their counsel and any person necessary to the conduct of the proceeding, except as may lawfully be required in judicial proceedings relating to the arbitration or otherwise or as may be required by Law.
- (d) The arbitration decision and award will be final and binding on the Parties and will not be subject to any appeal, whether on a question of law, of fact or of mixed law and fact.
- (e) The fees and expenses related to the arbitration shall be assumed by the Party or Parties against which the arbitration decision and award is rendered.
- (f) This arbitration provision will be governed by and interpreted and enforced in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

9.9 Amendments.

This Agreement may only be amended, supplemented or otherwise modified by written agreement signed by the Vendors, the Corporation and the Purchaser.

9.10 Waiver.

No waiver of any of the provisions of this Agreement or any Ancillary Agreement will constitute a waiver of any other provision (whether or not similar). No waiver will be binding unless executed in writing by the Party to be bound by the waiver. A Party's failure or delay in exercising any right under this Agreement will not operate as a waiver of that right. A single or partial exercise of any right will not preclude a Party from any other or further exercise of that right or the exercise of any other right.

9.11 Non-Merger.

Except as otherwise expressly provided in this Agreement, the covenants, representations and warranties shall not merge on and shall survive the Closing. Notwithstanding the Closing or any investigation made by or on behalf of any Party, the covenants, representations and warranties shall continue in full force and effect. Closing shall not prejudice any right of one Party against any other Party in respect of anything done or omitted under this Agreement or in respect of any right to damages or other remedies.

9.12 Independent Legal Advice.

Each of the Vendors, the Corporation and the Purchaser acknowledges and agrees that each of them has had the opportunity to seek and obtain independent legal advice with respect to the subject matter of this Agreement.

9.13 Entire Agreement.

This Agreement constitutes the entire agreement between the Parties with respect to the transactions contemplated by this Agreement and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Parties. There are no representations, warranties, covenants, conditions or other agreements, express or implied, collateral, statutory or otherwise, between the Parties in connection with the subject matter of this Agreement, except as specifically set forth in this Agreement. The Parties have not relied and are not relying on any other information, discussion or understanding in entering into and completing the transactions contemplated by this Agreement and the Ancillary Agreements.

9.14 Successors and Assigns.

This Agreement becomes effective only when executed by the Vendors, the Corporation and the Purchaser. After that time, it will be binding upon and enure to the benefit of the Vendors, the Corporation, the Purchaser and their respective successors and permitted assigns. The Vendors acknowledge that the benefit of this Agreement and the assets and liabilities of the Corporation may be directly or indirectly assigned, transferred or provided, without the consent of any of the Vendors, to any subsidiary, affiliate or successor of the Purchaser or any purchaser of the Purchaser's business (or any portion thereof) or the Corporation's business, provided that the Purchaser continues to be liable for its obligations hereunder after such assignment or transfer.

9.15 Severability.

If any provision of this Agreement is determined to be illegal, invalid or unenforceable by an arbitrator or any court of competent jurisdiction, that provision will be severed from this Agreement and the remaining provisions shall remain in full force and effect.

9.16 Governing Law.

This Agreement will be governed by and interpreted and enforced in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

9.17 Counterparts.

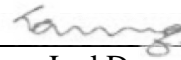
This Agreement may be executed in any number of counterparts (including counterparts by facsimile) and all such counterparts taken together shall be deemed to constitute one and the same instrument.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF the Parties have executed this Share Purchase Agreement.

**ORGANIC FLOWER INVESTMENTS
GROUP INC.**

Per:



Name: Joel Dumaresq
Authorized Signing Representative

CANUTRA NATURALS LTD.

Per:



Name: Antony Harris
Authorized Signing Officer

[SIGNATURE PAGES OF THE VENDORS TO FOLLOW]

If an individual,

Name:

If an entity,

Authorized Signature

Print Names(s) _____
Title (if entity) _____

Additional Shareholder(s), if joint holders:

Authorized Signature

Print Name(s) _____

Authorized Signature

Print Name(s) _____

Schedule A

Proportions of the Holdings of the Canutra Shares

Last Name	First Name	Fully Diluted %
[REDACTED]	[REDACTED]	0.05%
[REDACTED]	[REDACTED]	0.24%
[REDACTED]	[REDACTED]	0.03%
[REDACTED]	[REDACTED]	0.44%
[REDACTED]	[REDACTED]	0.24%
[REDACTED]	[REDACTED]	0.16%
[REDACTED]	[REDACTED]	0.11%
[REDACTED]	[REDACTED]	0.05%
[REDACTED]	[REDACTED]	0.11%
[REDACTED]	[REDACTED]	0.18%
[REDACTED]	[REDACTED]	0.00%
[REDACTED]	[REDACTED]	0.00%
[REDACTED]	[REDACTED]	0.00%
[REDACTED]	[REDACTED]	0.07%
[REDACTED]	[REDACTED]	0.14%
[REDACTED]	[REDACTED]	0.05%
[REDACTED]	[REDACTED]	0.02%
[REDACTED]	[REDACTED]	0.03%
[REDACTED]	[REDACTED]	0.11%
[REDACTED]	[REDACTED]	1.79%
[REDACTED]	[REDACTED]	0.08%
[REDACTED]	[REDACTED]	0.06%
[REDACTED]	[REDACTED]	0.23%
[REDACTED]	[REDACTED]	1.53%
[REDACTED]	[REDACTED]	0.02%
[REDACTED]	[REDACTED]	0.16%
[REDACTED]	[REDACTED]	0.05%
[REDACTED]	[REDACTED]	0.09%
[REDACTED]	[REDACTED]	0.16%
[REDACTED]	[REDACTED]	0.47%
[REDACTED]	[REDACTED]	0.25%
[REDACTED]	[REDACTED]	0.08%
[REDACTED]	[REDACTED]	0.11%
[REDACTED]	[REDACTED]	0.05%
[REDACTED]	[REDACTED]	0.04%
[REDACTED]	[REDACTED]	0.06%
[REDACTED]	[REDACTED]	0.05%
[REDACTED]	[REDACTED]	0.27%
[REDACTED]	[REDACTED]	0.31%
[REDACTED]	[REDACTED]	0.25%
[REDACTED]	[REDACTED]	0.08%
[REDACTED]	[REDACTED]	0.30%
[REDACTED]	[REDACTED]	0.28%
[REDACTED]	[REDACTED]	0.13%
[REDACTED]	[REDACTED]	0.62%

[REDACTED]	0.06%
[REDACTED]	0.18%
[REDACTED]	0.03%
[REDACTED]	0.02%
[REDACTED]	0.16%
[REDACTED]	0.18%
[REDACTED]	17.83%
[REDACTED]	0.40%
[REDACTED]	0.19%
[REDACTED]	0.05%
[REDACTED]	0.05%
[REDACTED]	0.90%
[REDACTED]	0.02%
[REDACTED]	0.13%
[REDACTED]	0.40%
[REDACTED]	32.38%
[REDACTED]	0.16%
[REDACTED]	0.19%
[REDACTED]	0.04%
[REDACTED]	2.14%
[REDACTED]	0.25%
[REDACTED]	0.05%
[REDACTED]	0.25%
[REDACTED]	0.08%
[REDACTED]	0.48%
[REDACTED]	1.03%
[REDACTED]	0.03%
[REDACTED]	0.38%
[REDACTED]	0.07%
[REDACTED]	0.03%
[REDACTED]	0.07%
[REDACTED]	0.08%
[REDACTED]	0.05%
[REDACTED]	0.05%
[REDACTED]	0.21%
[REDACTED]	0.25%
[REDACTED]	0.08%
[REDACTED]	0.10%
[REDACTED]	0.03%
[REDACTED]	0.05%
[REDACTED]	0.08%
[REDACTED]	0.24%
[REDACTED]	0.25%
[REDACTED]	0.27%
[REDACTED]	4.88%
[REDACTED]	0.18%
[REDACTED]	0.08%
[REDACTED]	0.02%
[REDACTED]	1.81%
[REDACTED]	0.05%
[REDACTED]	0.24%
[REDACTED]	0.02%
[REDACTED]	5.71%
[REDACTED]	0.05%
[REDACTED]	0.05%
[REDACTED]	0.11%
[REDACTED]	0.02%
[REDACTED]	0.42%
[REDACTED]	0.08%
[REDACTED]	0.05%
[REDACTED]	0.24%
[REDACTED]	0.03%

[REDACTED]	4.48%
[REDACTED]	0.03%
[REDACTED]	1.90%
[REDACTED]	0.04%
[REDACTED]	0.50%
[REDACTED]	0.25%
[REDACTED]	0.75%
[REDACTED]	0.25%
[REDACTED]	0.18%
[REDACTED]	0.45%
[REDACTED]	0.08%
[REDACTED]	0.47%
[REDACTED]	0.05%
[REDACTED]	0.04%
[REDACTED]	0.05%
[REDACTED]	0.23%
[REDACTED]	0.07%
[REDACTED]	0.08%
[REDACTED]	0.16%
[REDACTED]	5.70%
[REDACTED]	0.05%
[REDACTED]	0.10%
[REDACTED]	0.27%
[REDACTED]	0.26%

Schedule 1.1(d)

Assets of the Corporation

MACHINERY, EQUIPMENT ETC.

Item	Number	Description
Machinery		
	1	Freezer
	1	200sq ft.
	2	270 sq. ft.
		Standard
	1	Electric Pallet Jack
	1	Unitherm Drying Oven
	1	Precision Quincy Crop Drying Oven
	1	Tractor Fertilizer attachment for Spraying
	1	Backpack gas powered fogging type sprayer
	1	Norlab Containment Machine
	1	Electric Trimmer
	1	Electric Blower
	1	Treadmill
	1	Vacuum Cleaner
	1	Generator
Computers		
	6	Desktop Computers
Hardware		
	1	60" LG TV
	1	32" TV/DVD Combo
	2	Printers
	1	Electric Stove
	1	Fridge Side-by-side
	1	Washing Machine
	2	Large Commercial Shredders
Furniture		
	1	Stainless Steel Table 6 ft. Long
	9	Steel Filing Cabinets
	30	Classroom Chairs
	10	Classroom Tables
	21	Swivel Office Chairs

	4	Book Shelves
	1	L Shaped Sofa
	2	Lunch Room Tables
	10	Office Desks
	1	Coffee Table
	27	Gym Lockers
	4	4x4 Steel Cabinets
	3	6x4 Steel Cabinets
Fixtures		
	36	Light Fixtures

INVENTORY

Finished Products

Title	Type	Variant SKU	Variant Grams	Variant Inventory Qty
Cleansing Milk	Soap	CN01	132	39
Hydrate + Revive Face Cream	Face Cream	CN02	86	30
Nourish + Refine Serum	Serum	CN03	90	44
Total Body Renew Lotion	Body Cream - Scented	CN04	150	44
Total Body Renew Lotion	Body Cream - Unscented	CN05	150	39
Liquid Hand Soap	Soap	CN06	297	0
Hemp Body Soap	Soap	CN07	100	36

Raw Materials

Title	Type	Qty
Boxes	Packaging	~33000 units
Hemp Oil	ingredient	~125 Litres

PATENTS AND IP

Trademarks		
	Whole Hemp Health	#1956749
Domains		
	Wholehemphealth.ca	
	Canutra.ca	

	Canutranaturals.com	
	Canutranaturals.ca	
	Canutra.org	

LICENSES

License	License No.	Expiration Date
City of Nanaimo - Business License	502655	Expires on December 31, 2019
Health Canada Research License	Pending	Pending

FIXED ASSETS

691754 NB Ltd.

PID 25260423, 25184748 and 25060930

St. Joseph Road/Highway 520, Saint-Joseph-de-Kent, Kent County, New Brunswick

Property Identification / History					
Parcel #	Location	PID	Tax Account	Deed #	Year Reg.
1	Highway 520, Saint-Joseph-de-Kent	25260423	4695352	114021	1978
2	Highway 520, Saint-Joseph-de-Kent	25184748	2444535	114597	1978
3	Highway 520, Saint-Joseph-de-Kent	25060930	4695344	114021	1978

Building Summary

Building #3							
Section	Description	Frame	Area (sq. feet)	Area (sq. m)	Age	Condition	Comments
1	Machinery & Storage Building	Wood Frame	4,005	372.1	32	Good	Partially heated; small office; concrete slab
Building #4							
Section	Description	Frame	Area (sq. feet)	Area (sq. m)	Age	Condition	Comments
2	Main Office Building	Wood Frame	6,664	619.1	30	Good	Office with small shop on concrete slab
Building #5							
Section	Description	Frame	Area (sq. feet)	Area (sq. m)	Age	Condition	Comments
3	Baby Barn - Pond Building	Wood Frame	97	9.0	15	Good	Unheated; uninsulated; wood floor; electricity
Building #6							
Section	Description	Frame	Area (sq. feet)	Area (sq. m)	Age	Condition	Comments
4	Greenhouse Building	Wood Frame	1,743	161.9	19	Good	Climate controlled; 4 zones; polycarbonate partition
Building #7							
Section	Description	Frame	Area (sq. feet)	Area (sq. m)	Age	Condition	Comments
5	Pesticide Storage Building	Wood Frame	668	62.0	22	Good	Heated and insulated; lab/warehouse; concrete slab
Building #8							
Section	Description	Frame	Area (sq. feet)	Area (sq. m)	Age	Condition	Comments
6	Shed - Gasoline Building	Wood Frame	147	13.7	29	Good	Unheated; uninsulated; wood floor; no electricity
Building #9							
Section	Description	Frame	Area (sq. feet)	Area (sq. m)	Age	Condition	Comments
7	Machinery Storage Building	Wood Frame	2,400	223.0	14	Good	Unheated; uninsulated; concrete slab; electricity
Building #10							
Section	Description	Frame	Area (sq. feet)	Area (sq. m)	Age	Condition	Comments
8	Insectarium Building	Wood Frame	370	34.4	21	Good	Unheated; uninsulated; wood floor; no electricity
Building #11							
Section	Description	Frame	Area (sq. feet)	Area (sq. m)	Age	Condition	Comments
9	Baby Barn Fruit Program Building	Wood Frame	240	22.3	4	Good	Unheated; uninsulated; wood floor; no electricity
Building #12							
Section	Description	Frame	Area (sq. feet)	Area (sq. m)	Age	Condition	Comments
10	Cold Storage Building	Wood Frame	1,308	121.5	10	Good	Heated; insulated; cold storage/work area; concrete slab
			Area (sq. feet)	Area (sq. m)			
Total Sq.Ft.			17,643	1,639.1			

Schedule 1.1(j)

Closing Reorganization

1. Transfer the Purchased Shares from the Vendors to the Purchaser
2. Resignation of officers and directors of the Corporation
3. Appoint the Purchaser's proposed officers and directors

Schedule 3.2(e)

Required Authorizations

Nil.

Schedule 3.2(f)

Consents, Approvals, Waivers

1. As per Section 20.2 of the Articles of Incorporation of the Corporation, no shares of the Corporation may be sold, transferred or otherwise disposed of without the consent of the directors of the Corporation.
2. As per Section 4.4 of the Shareholders' Agreement dated September 24, 2018 (the "**Shareholders' Agreement**"), the Vendors shall comply with the terms and conditions of the Drag-Along Rights contemplated in the Shareholders' Agreement in respect to the Remaining Shares (as such term is defined in the Shareholders' Agreement).

Schedule 3.2(i)

Authorized and Issued Capital of Corporation

1. Authorized Capital:

120,000,000 Common Shares (see table below)

20,000,000 Preference Shares (none issued)

2. Issued and fully diluted outstanding capital of the Corporation as of the date of this Agreement is 61,398,387

Last Name	First Name	Issued Shares	Warrants	Options	Subtotal Common	Founders Subordination Redistribution	Total Common	Fully Diluted %
		20,000			20,000	10,699	30,699	0.05%
		150,000			150,000		150,000	0.24%
		20,000			20,000		20,000	0.03%
			268,854		268,854		268,854	0.44%
		106,000			106,000	38,286	144,286	0.24%
		100,000			100,000	(3,358)	96,642	0.16%
		70,000			70,000		70,000	0.11%
		20,000			20,000	10,699	30,699	0.05%
		66,667			66,667		66,667	0.11%
		72,775			72,775	38,932	111,707	0.18%
		1,000			1,000		1,000	0.00%
		1,000			1,000		1,000	0.00%
		1,000			1,000		1,000	0.00%
		42,000			42,000		42,000	0.07%
		75,000			75,000	13,374	88,374	0.14%
		33,334			33,334		33,334	0.05%
		15,000			15,000		15,000	0.02%
		10,000			10,000	5,350	15,350	0.03%
		70,000			70,000		70,000	0.11%
			1,100,000		1,100,000		1,100,000	1.79%
		50,000			50,000		50,000	0.08%
		25,000			25,000	10,304	35,304	0.06%
		140,000			140,000		140,000	0.23%
		940,000			940,000		940,000	1.53%
		10,000			10,000		10,000	0.02%
		100,000			100,000		100,000	0.16%
		30,000			30,000		30,000	0.05%
			58,073		58,073		58,073	0.09%
			98,073		98,073		98,073	0.16%
			290,000		290,000		290,000	0.47%
		100,000			100,000	53,496	153,496	0.25%
		50,000			50,000		50,000	0.08%
		66,667			66,667		66,667	0.11%
		33,334			33,334		33,334	0.05%
		23,334			23,334		23,334	0.04%
		34,667			34,667		34,667	0.06%
		33,334			33,334		33,334	0.05%
		165,000			165,000		165,000	0.27%
		128,000			128,000	63,207	191,207	0.31%
		100,000			100,000	53,496	153,496	0.25%
		30,000			30,000	16,049	46,049	0.08%
		185,000			185,000		185,000	0.30%
		180,000			180,000	(6,044)	173,956	0.28%
		80,000			80,000		80,000	0.13%
		383,333			383,333		383,333	0.62%
		35,000			35,000		35,000	0.06%
			110,000		110,000		110,000	0.18%
		10,000			10,000	5,350	15,350	0.03%
		10,000			10,000		10,000	0.02%
		100,000			100,000		100,000	0.16%
		100,000			100,000	7,447	107,447	0.18%
		510,000		10,800,000	11,310,000	(362,652)	10,947,348	17.83%
		200,000			200,000	45,594	245,594	0.40%

	119,433			119,433		119,433	0.19%
	30,000			30,000		30,000	0.05%
	20,000			20,000	10,699	30,699	0.05%
		550,000		550,000		550,000	0.90%
	10,000			10,000		10,000	0.02%
	50,000			50,000	26,748	76,748	0.13%
	246,667			246,667		246,667	0.40%
		5,568,889	15,000,000	20,568,889	(690,681)	19,878,208	32.38%
	100,000			100,000		100,000	0.16%
	120,000			120,000	(672)	119,328	0.19%
	25,000			25,000		25,000	0.04%
	1,348,000			1,348,000	(33,579)	1,314,421	2.14%
	100,000			100,000	53,496	153,496	0.25%
	21,270			21,270	11,379	32,649	0.05%
	100,000			100,000	53,496	153,496	0.25%
	50,000			50,000		50,000	0.08%
	73,000	220,000		293,000		293,000	0.48%
	410,000			410,000	219,333	629,333	1.03%
	20,000			20,000		20,000	0.03%
	233,334			233,334		233,334	0.38%
	45,000			45,000		45,000	0.07%
	10,000			10,000	5,350	15,350	0.03%
	40,000			40,000		40,000	0.07%
	50,000			50,000		50,000	0.08%
	30,000			30,000		30,000	0.05%
	30,000			30,000		30,000	0.05%
	130,000			130,000		130,000	0.21%
		53,333	100,000	153,333		153,333	0.25%
	50,000			50,000		50,000	0.08%
	40,000			40,000	21,398	61,398	0.10%
	10,000			10,000	5,350	15,350	0.03%
	30,000			30,000		30,000	0.05%
	40,000			40,000	9,119	49,119	0.08%
	150,000			150,000		150,000	0.24%
	152,000			152,000		152,000	0.25%
	166,667			166,667		166,667	0.27%
	3,025,360	53,334		3,078,694	(80,589)	2,998,105	4.88%
		110,000		110,000		110,000	0.18%
	50,000			50,000		50,000	0.08%
	10,000			10,000		10,000	0.02%
	709,654	53,333	350,000	1,112,987		1,112,987	1.81%
	30,000			30,000		30,000	0.05%
		50,000	100,000	150,000		150,000	0.24%
	15,000			15,000		15,000	0.02%
	1,487,000	53,333	2,000,000	3,540,333	(33,579)	3,506,754	5.71%
	20,000			20,000	10,699	30,699	0.05%
	20,000			20,000	10,699	30,699	0.05%
	66,667			66,667		66,667	0.11%
	10,000			10,000		10,000	0.02%
	200,000			200,000	55,706	255,706	0.42%
	50,000			50,000		50,000	0.08%
	30,000			30,000		30,000	0.05%
	150,000			150,000		150,000	0.24%
	12,000			12,000	6,420	18,420	0.03%
		2,750,000		2,750,000		2,750,000	4.48%
	20,000			20,000		20,000	0.03%
	450,000	66,667	650,000	1,166,667		1,166,667	1.90%
	22,000			22,000	1,331	23,331	0.04%
	200,000			200,000	106,992	306,992	0.50%
	100,000			100,000	53,496	153,496	0.25%
	300,000			300,000	160,488	460,488	0.75%
	100,000			100,000	53,496	153,496	0.25%
		110,000		110,000		110,000	0.18%
		275,000		275,000		275,000	0.45%
	50,000			50,000	(1,679)	48,321	0.08%
	235,000	53,334		288,334		288,334	0.47%
	20,000			20,000	10,699	30,699	0.05%
	25,000			25,000		25,000	0.04%
	30,000			30,000		30,000	0.05%
	141,667			141,667		141,667	0.23%
	40,000			40,000		40,000	0.07%
	30,000			30,000	16,049	46,049	0.08%
	100,000			100,000		100,000	0.16%
	3,600,000			3,600,000	(100,737)	3,499,263	5.70%
	20,000			20,000	10,699	30,699	0.05%
	40,000			40,000	21,398	61,398	0.10%
	160,000			160,000	6,748	166,748	0.27%
	50,000	110,000		160,000		160,000	0.26%
TOTALS	20,396,164	17,007,273	29,000,000	61,398,387		61,398,387	100%

Schedule 3.2(n)

Conduct of Business out of Ordinary Course

Not Applicable. The Corporation has not conducted business out of the ordinary course as of the date of this Agreement.

Schedule 3.2(t)

Leases and Leased Properties

Not applicable. The Corporation does not have any leases or subleases as at the date of this Agreement.

Schedule 3.2(u)

Material Contracts

Co-Packing Agreement dated June 22, 2018 between Savonnerie Olivier Soapery and Canutra Naturals Ltd.

Schedule 3.2(w)

Liabilities

The total liabilities of the Corporation as at the date of this Agreement are not to exceed \$500,000.

Schedule 3.2(y)

Employees

Not applicable. The Corporation has no employees. The Corporation has consultants/contractors only as at the date of this Agreement.

Schedule 3.2(aa)

Taxes

Not applicable. The Corporation has paid no taxes in the last fiscal year due to limited sales and market exposure.

Schedule 6.7

Capital Funding Requirement

OPERATING STRATEGY:

The Corporation's operating strategy will be focused on brand expansion and intellectual property portfolio as follows:

- Aggressive expansion of distribution through brick and mortar, www.wholehemphealth.ca, Amazon, and other distribution points.
- Refinement of the Whole Hemp Health brand: packaging refresh, online presence amplification, social influencer & ambassador strategy.
- Comprehensive traditional and digital marketing strategy.
- Continue research and development at Canutra Farms. Execute planned 2019 research methodology. Deepen relationships with the University of Moncton. Anti-pain, anti-aging, and sunscreen formulation development.
- Optimize proprietary "Cannessence" (secret sauce with CBD) formulation, emulsification, and delivery in topicals.
- Continue efforts to acquire co-packer to complete vertical integration of seed-to-skin plan; in turn, increase control and improve margins.
- Continue efforts to obtain federal and provincial grant funding for facility expansion at Canutra Farms.

CORPORATION'S LICENSING AND FACILITY PROGRAM:

The Corporation's licensing and facility program will be supported by the parent company as follows:

- Leverage parent company's licenses to ensure the Corporation is able to sell RX line when Canadian regulations allow
- Construction of manufacturing and logistics facility at Canutra Farms with support from parent company (budget not included)
- Submission of LP application for Canutra Farms with support from parent company (budget not included)

OPERATING BUDGET:

- Corporation's twelve month operating plan will cost approximately \$1,600,000 not including bulge requirements that may be needed to pay for retailer listing fees and to meet inventory order requirements, acquisitions, facility upgrades or other capital programs, back office management and accounting expenses.
- Monthly deposits of \$50,000, with the first made upon Closing, will be required, with year-end adjustments to account for the twelve month operating plan cost pursuant to the above.
- Will need to align Corporation's plan with the Purchaser's in due course.

Schedule 6.8

Executive Employment Terms

- **Skincare distribution 1,000 Shelves:**
 - Minimum of 4 SKUs
 - \$1,500,000 in SOW shares based upon the five-day VWAP of SOW's common shares for the five trading sessions prior to the achievement of the bonus milestone.
- **Canutra annualized sales run-rate of \$3,000,000 (not including acquisition of co-packer), demonstrated for an uninterrupted six consecutive months:**
 - \$1,500,000 in SOW shares based upon the five-day VWAP of SOW's common shares for the five trading sessions prior to the achievement of the bonus milestone.

SHARE PURCHASE AGREEMENT

This share purchase agreement is dated as of March 14, 2019

AMONG:

MMCAP INTERNATIONAL INC., a corporation having a principal address of 90 Fort Street, George Town Financial Centre, Grand Cayman, Cayman Islands, KY1-1104 ("**MMCAP**")

- and -

PARKWOOD MASTER FUND LTD., corporation partnership having a principal address of 366 Adelaide Street West, Suite 601, Toronto, Ontario, M5V 1R9 ("**Parkwood**")

- and -

SAMARA FUND LTD., a corporation having a principal address of 366 Adelaide Street West, Suite 601, Toronto, Ontario, M5V 1R9 ("**Samara**")

- and -

BROMMA RESOURCES MASTER FUND INC., a corporation having a principal address of 44 Victoria Street, Suite 712, Toronto, Ontario, M5C 1Y2 ("**Bromma**")

-and -

POLLOCK SERVICES CORP., a corporation having a principal address of 130 King Street West, Suite 2110, Toronto Ontario, M5X 1B1 ("**PSC**")

-and -

CRM GLOBAL CAPITAL INC., a corporation having a principal address of 100 Richmond St. W., Suite 414, Toronto, Ontario, M5H 3K6 ("**CRM**")

-and -

2180447 ONTARIO INC., a corporation having a principal address of 130 King Street West, Suite 2210, Toronto, Ontario, M5X 1E4 ("**2180447**")

-and -

POWERONE MANAGEMENT & ADVISORY SERVICES LIMITED, a corporation having a principal address of 130 King Street West, Suite 2210, Toronto, Ontario, M5X 1E4 ("**PowerOne**")

-and -

CHRISTOPHER MACINTYRE, an individual residing in the City of Toronto ("**MacIntyre**", together with MMCAP, Parkwood, Samara, Bromma, PSC, CRM, 2180447 and PowerOne, the "**Vendors**" and each a "**Vendor**")

- and -

ORGANIC FLOWER INVESTMENTS GROUP INC., a corporation having a principal address of 789 West Pender Street, Suite 810, Vancouver, British Columbia, V6C 1H2 (the "**Purchaser**")

- and -

1180782 B.C. LTD. d/b/a DELTA ORGANIC CANNABIS, a corporation having a principal address of 789 West Pender Street, Suite 810, Vancouver, British Columbia, V6C 1H2 (the "**Corporation**")

WHEREAS the Vendors and the Purchaser collectively own all of the issued and outstanding shares in the capital of the Corporation;

AND WHEREAS the Vendors wish to sell to the Purchaser, and the Purchaser wishes to purchase from the Vendors, the Shares (as defined herein), subject to the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE 1 DEFINITIONS

The following terms have the meanings specified or referred to in this Article 1:

"Action" means any claim, action, cause of action, demand, lawsuit, arbitration, inquiry, audit, notice of violation, proceeding, litigation, citation, summons, subpoena, notice of assessment, notice or reassessment or investigation of any nature, civil, criminal, administrative, investigative, regulatory or otherwise, whether at law or in equity.

"Affiliate" when used to indicate a relationship with a specified Person, means a Person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such specified Person and a Person shall be deemed to be controlled by another Person if controlled in any manner whatsoever that results in control in fact by that other Person (or that other Person and any Person or Persons with whom that other Person is acting jointly or in concert), whether directly or indirectly.

"Agreement" means this share purchase agreement, together with all schedules and Exhibits hereto, as may be amended from time to time.

"Business Day" means any day except Saturday, Sunday or any other day on which banks located in Toronto, Ontario or Vancouver, British Columbia are authorized or required by Law to be closed for business.

"Closing" has the meaning set forth in Section 2.04.

"Closing Date" has the meaning set forth in Section 2.04.

"Closing Time" means 9:00 a.m. Eastern time on the Closing Date or such other time on the Closing Date as the parties agree in writing that the Closing shall take place.

"Contract" means any contract, lease, deed, mortgage, licence, instrument, note, commitment, undertaking, indenture, joint venture or all other agreement, commitment or legally binding arrangement.

"control", when used with respect to any specified Person, means the power to direct the management and policies of that Person directly or indirectly, whether through ownership of securities, by trust, by contract or otherwise; and the term "controlled" has a corresponding meaning; *provided that*, in any event, any Person that owns directly, indirectly or beneficially 50% or more of the securities having voting power for the election of directors or other governing body of a corporation or 50% or more of the partnership interests or other ownership interests of any other Person will be deemed to control that Person.

"Corporation" has the meaning set forth in the Recitals to this Agreement.

"CSE" means the Canadian Securities Exchange.

"Direct Claim" has the meaning set forth in Section 8.05(c).

"Dollars" or "\$" means the lawful currency of Canada.

"Encumbrances" means any lien, pledge, mortgage, hypothec, deed of trust, security interest, charge, claim, easement, right of way, encroachment or other similar encumbrance.

"Governmental Authority" means: (a) any court, tribunal, judicial body or arbitral body or arbitrator; (b) any domestic or foreign government or supranational body or authority whether multinational, national, federal, provincial, territorial, state, municipal or local and any governmental agency, governmental authority, governmental body, governmental bureau, governmental department, governmental tribunal or governmental commission of any kind whatsoever; (c) any subdivision or authority of any of the foregoing; (d) any quasi-governmental or private body or public body exercising any regulatory, administrative, expropriation or taxing authority under or for the account of the foregoing; (e) any stock or securities exchange; and (f) any public utility authority.

"Governmental Order" means any order, writ, judgment, injunction, decree, stipulation, determination, award, decision, sanction or ruling entered by or with any Governmental Authority.

"Indemnified Party" has the meaning set forth in Section 8.05.

"Indemnifying Party" has the meaning set forth in Section 8.05.

"Law" means any statute, law, ordinance, regulation, rule, instrument, code, order, constitution, treaty, common law, judgment, decree, other requirement or rule of law of any Governmental Authority.

"Losses" means losses, damages, Taxes, liabilities, deficiencies, Actions, judgments, interest, awards, penalties, fines, costs or expenses of whatever kind, including legal fees, disbursements and charges and the cost of enforcing any right to indemnification hereunder and the cost of pursuing any insurance providers.

"Outside Date" has the meaning set forth in Section 7.04(b)(i).

"Permit" means any permit, licence, franchise, approval, authorization, registration, certificate, variance or similar right obtained, or required to be obtained, from a Governmental Authority.

"Person" means an individual, corporation, company, limited liability company, body corporate, partnership, joint venture, Governmental Authority, unincorporated organization, trust, association or other entity.

"Purchase Price" has the meaning set forth in Section 2.02.

"Purchaser" has the meaning set forth in the preamble to this Agreement.

"Purchaser Equity Raise" means the private placement financing of Purchaser Units, initially announced by the Purchaser on November 14, 2018, for gross proceeds of up to \$50,000,000.

"Purchaser Unit" means a unit comprised of one common share in the capital of the Purchaser and one whole transferrable common share purchase warrant that is exercisable until December 5, 2020 into one common share in the capital of the Purchaser at a price of \$0.65, in the form attached hereto as Exhibit B.

"Purchaser Unit Price" means \$0.24 per Purchaser Unit.

"Representative" means, with respect to any Person, any and all directors, officers, employees, consultants, financial advisors, lawyers, accountants and other agents of such Person.

"Shares" means all of the shares in the capital of the Corporation held by the Vendors, as more particularly set out on Exhibit A.

"Tax Act" means the *Income Tax Act* (Canada) and the regulations thereunder as amended from time to time.

"Tax" or **"Taxes"** means all taxes, surtaxes, duties, levies, imposts, fees, assessments, reassessments, withholdings, dues and other charges of any nature, imposed or collected by any Governmental Authority, whether disputed or not, including federal, provincial, territorial, state, municipal and local, foreign and other income, franchise, capital, real property, personal property, withholding, payroll, health, transfer, value added, alternative, or add on minimum tax including HST/GST, sales, use, consumption, excise, customs, anti-dumping, countervail, net worth, stamp, registration, franchise, payroll, employment, worker's compensation, education, business, school, local improvement, development and occupation taxes, duties, levies, imposts, fees, assessments and withholdings and Canada Pension Plan and Québec Pension plan contributions, employment insurance premiums and all other taxes and similar governmental charges, levies or assessments of any kind whatsoever imposed by any Governmental Authority including any installment payments, interest, penalties or other additions associated therewith, whether or not disputed.

"Third Party Claim" has the meaning set forth in Section 8.05(a).

"Transaction Documents" means this Agreement and each of the agreements, documents, certificates and instruments delivered in connection herewith.

"Vendors" has the meaning set forth in the preamble to this Agreement.

ARTICLE 2 PURCHASE AND SALE

Section 2.01 Purchase and Sale

Subject to the terms and conditions set forth herein, at the Closing, the Vendors shall sell to the Purchaser, and the Purchaser shall purchase from the Vendors, the Shares, free and clear of all Encumbrances, for the consideration specified in Section 2.02.

Section 2.02 Purchase Price

The aggregate purchase price for the Shares (the **"Purchase Price"**) shall be \$13,125,000, subject to adjustment as provided in Section 8.06.

Section 2.03 Payment of the Purchase Price

On the Closing Date, the Purchaser shall issue the Purchaser Units to the Vendors at a deemed price per Purchaser Unit equal to the Purchaser Unit Price in accordance with the allocations set forth on Exhibit A.

Section 2.04 Closing

Subject to the terms and conditions of this Agreement, the purchase and sale of the Shares contemplated hereby (the **"Closing"**) shall take place through the electronic exchange of documentation, or at such other place as may be mutually agreed to by each of the Parties, at the Closing Time on the date that is two Business Days following the date on which all conditions set forth in Article 7 have been satisfied (the **"Closing Date"**).

ARTICLE 3 REPRESENTATIONS AND WARRANTIES OF THE VENDORS

Each of the Vendors represents and warrants to the Purchaser, on a several basis with respect to itself only, as follows:

Section 3.01 Corporate Status and Authorization

Each Vendor that is an entity has been duly incorporated or formed and is validly existing and in good standing under the laws of the jurisdiction under which it is incorporated or formed. No steps or proceedings have been taken to authorize or require the discontinuance, dissolution or termination or, to such Vendor's knowledge, the bankruptcy, insolvency, liquidation or winding up of such Vendor. Each Vendor has the power and capacity to enter into this Agreement and the other Transaction Documents to which such Vendor is a party, to carry out its obligations hereunder and thereunder and to consummate

the transactions contemplated hereby and thereby. The execution and delivery by each Vendor of this Agreement and any other Transaction Documents to which such Vendor is a party, the performance by such Vendor of its obligations hereunder and thereunder and the consummation by such Vendor of the transactions contemplated hereby and thereby have been duly authorized by all requisite corporate action on the part of such Vendor. This Agreement has been duly executed and delivered by each Vendor and, assuming due authorization, execution and delivery by the Purchaser, this Agreement constitutes a legal, valid and binding obligation of each Vendor enforceable against such Vendor in accordance with its terms, except as such enforcement may be limited by general equitable principles or by applicable bankruptcy, insolvency, moratorium, or similar laws and judicial decisions from time to time in effect which affect creditors' rights generally. When each other Transaction Document to which such Vendor is or will be a party has been duly executed and delivered by such Vendor, assuming due authorization, execution and delivery by each other party thereto, such Transaction Document will constitute a legal, valid and binding obligation of such Vendor enforceable against it in accordance with its terms, except as such enforcement may be limited by general equitable principles or by applicable bankruptcy, insolvency, moratorium, or similar laws and judicial decisions from time to time in effect which affect creditors' rights generally.

Section 3.02 No Conflicts or Consents

The execution, delivery and performance by such Vendor of this Agreement and the other Transaction Documents to which it is a party, and the consummation of the transactions contemplated hereby and thereby, do not and will not: (a) conflict with or result in a violation or breach of, or default under, any provision of the articles, by-laws, unanimous shareholder agreements or other constating documents of such Vendor; (b) conflict with or result in a violation or breach of any provision of any Law or Governmental Order applicable to such Vendor; or (c) require the consent, notice or other action by any Person under any Contract to which such Vendor is a party. Other than as set forth in Section 7.01(b), no consent, approval, Permit, Governmental Order, declaration or filing with, or notice to, any Governmental Authority is required by or with respect to such Vendor in connection with the execution and delivery of this Agreement and the other Transaction Documents and the consummation of the transactions contemplated hereby and thereby.

Section 3.03 Title to Securities

Such Vendor is the legal and beneficial owner of and has good and valid title to the Shares held by such Vendor, free and clear of any and all Encumbrances (other than Encumbrances arising under the articles or notice of articles of the Corporation), and other than pursuant to this Agreement, no Person has any contractual right or privilege capable of becoming a right, to purchase any of such Shares.

Section 3.01 Residency

The residency of such Vendor within the meaning of, and for the purposes of, the Tax Act, is set forth beside such Vendor's name on Exhibit A.

Section 3.02 No Other Representations or Warranties

Except for the representations and warranties contained in this Article 3, none of the Vendors or any other Person has made or makes any other express or implied representation or warranty, either written or oral, on behalf of the Vendors.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES OF THE CORPORATION

The Corporation represents and warrants to the Purchaser as follows:

Section 4.01 Corporate Status and Authorization

The Corporation is a corporation incorporated and validly existing under the Laws of the province of British Columbia and has not been discontinued or dissolved under such Laws. No steps or proceedings have been taken to authorize or require such discontinuance or dissolution or, to the Corporation's knowledge, the bankruptcy, insolvency, liquidation or winding up of the Corporation. The Corporation has the corporate power and capacity to own, operate or lease the properties and assets now owned,

operated or leased by it and to carry on its business as it has been and is currently conducted. The Corporation has the power and capacity to enter into this Agreement and the other Transaction Documents to which the Corporation is a party, to carry out its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution and delivery by the Corporation of this Agreement and any other Transaction Documents to which the Corporation is a party, the performance by the Corporation of its obligations hereunder and thereunder and the consummation by the Corporation of the transactions contemplated hereby and thereby have been duly authorized by all requisite corporate action on the part of the Corporation. This Agreement has been duly executed and delivered by the Corporation and, assuming due authorization, execution and delivery by the Purchaser, and the Vendors this Agreement constitutes a legal, valid and binding obligation of the Corporation enforceable against the Corporation in accordance with its terms, except as such enforcement may be limited by general equitable principles or by applicable bankruptcy, insolvency, moratorium, or similar laws and judicial decisions from time to time in effect which affect creditors' rights generally. When each other Transaction Document to which the Corporation is or will be a party has been duly executed and delivered by the Corporation, assuming due authorization, execution and delivery by each other party thereto, such Transaction Document will constitute a legal, valid and binding obligation of the Corporation enforceable against it in accordance with its terms, except as such enforcement may be limited by general equitable principles or by applicable bankruptcy, insolvency, moratorium, or similar laws and judicial decisions from time to time in effect which affect creditors' rights generally.

Section 4.02 Capitalization

- (a) The authorized capital of the Corporation consists of an unlimited number of common shares without par value and without special rights or restrictions attached, of which only the Shares and the shares held by the Purchaser are issued and outstanding. Upon consummation of the transactions contemplated by this Agreement, the Purchaser shall own all of the Shares, free and clear of all Encumbrances (other than Encumbrances arising under the articles or notice of articles of the Corporation).
- (b) All of the Shares were issued in compliance with applicable Laws. None of the Shares were issued in violation of any agreement, arrangement or commitment to which the Corporation is a party or is subject to or in violation of any pre-emptive or similar rights of any Person.
- (c) There are no outstanding or authorized options, warrants, convertible securities or other rights, agreements, arrangements or commitments of any character obligating the Corporation to issue or sell any shares of, or any other interest in, the Corporation. The Corporation does not have outstanding or authorized any share appreciation, phantom share, profit participation or similar rights. The Corporation is not a party to any voting trusts or agreements, pooling agreements, unanimous shareholder agreements or other shareholder agreements, proxies or other agreements or understandings in effect with respect to the voting or transfer of any of the Shares.

Section 4.03 Private Issuer

The Corporation is a "private issuer" with the meaning of section 2.4(1) of National Instrument 45-106 - Prospectus Exemptions.

Section 4.01 Subsidiaries

Except for its equity interests in Agraflorea Organics International Inc. and Propagation Services Canada Inc., the Corporation does not own, or have any interest in any shares or have securities, or another ownership interest, in any other Person.

Section 4.01 Business of the Corporation

Since its incorporation, the Corporation's sole business has been the entering into of the equity participation and earn-in agreement dated as of September 25, 2018 between the Corporation and Agraflorea Organics International Inc. (f/k/a PUF Ventures Inc.), as amended from time to time, and the consummation of the transactions contemplated thereby or related thereto.

Section 4.02 Legal Proceedings; Governmental Orders

- (a) There are no Actions pending or, to the Corporation's knowledge, threatened: (a) against or by the Corporation affecting any of its assets; or (b) against or by the Corporation that challenges or seeks to prevent, enjoin or otherwise delay the transactions contemplated by this Agreement.
- (b) There are no outstanding Governmental Orders and no unsatisfied judgments, penalties or awards against or affecting the Corporation or any of its assets.

Section 4.03 Taxable Canadian Property

The Shares do not constitute "taxable Canadian property" for the purposes of the Tax Act.

**ARTICLE 5
REPRESENTATIONS AND WARRANTIES OF THE PURCHASER**

The Purchaser represents and warrants to the Vendors as follows:

Section 5.01 Corporate Status and Authorization of Purchaser

The Purchaser is a corporation incorporated and validly existing under the Laws of the Province of British Columbia. No steps or proceedings have been taken to authorize or require the discontinuance, dissolution or termination or, to such Vendor's knowledge, the bankruptcy, insolvency, liquidation or winding up of the Purchaser. The Purchaser has the corporate power and capacity to enter into this Agreement and the other Transaction Documents to which the Purchaser is a party, to carry out its obligations hereunder and thereunder and to consummate the transactions contemplated hereby and thereby. The execution and delivery by the Purchaser of this Agreement and any other Transaction Document to which the Purchaser is a party, the performance by the Purchaser of its obligations hereunder and thereunder and the consummation by the Purchaser of the transactions contemplated hereby and thereby have been duly authorized by all requisite corporate action on the part of the Purchaser. This Agreement has been duly executed and delivered by the Purchaser, and, assuming due authorization, execution and delivery by the Vendors, this Agreement constitutes a legal, valid and binding obligation of the Purchaser enforceable against the Purchaser in accordance with its terms, except as such enforcement may be limited by general equitable principles or by applicable bankruptcy, insolvency, moratorium, or similar laws and judicial decisions from time to time in effect which affect creditors' rights generally. When each other Transaction Document to which the Purchaser is or will be a party has been duly executed and delivered by the Purchaser, assuming due authorization, execution and delivery by each other party thereto, such Transaction Document will constitute a legal, valid and binding obligation of the Purchaser enforceable against it in accordance with its terms, except as such enforcement may be limited by general equitable principles or by applicable bankruptcy, insolvency, moratorium, or similar laws and judicial decisions from time to time in effect which affect creditors' rights generally.

Section 5.02 No Conflicts or Consents

The execution, delivery and performance by the Purchaser of this Agreement and the other Transaction Documents to which it is a party, and the consummation of the transactions contemplated hereby and thereby, do not and will not: (a) conflict with or result in a violation or breach of, or default under, any provision of the articles, notice of articles or other constating documents of the Purchaser; (b) conflict with or result in a violation or breach of any provision of any Law or Governmental Order applicable to the Purchaser; or (c) require the consent, notice or other action by any Person under any Contract to which the Purchaser is a party. Other than the consent of the CSE with regard to the issuance of the Purchaser Units, no consent, approval, Permit, Governmental Order, declaration or filing with, or notice to, any Governmental Authority is required by or with respect to the Purchaser in connection with the execution and delivery of this Agreement and the other Transaction Documents and the consummation of the transactions contemplated hereby and thereby.

Section 5.03 Brokers

No broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of the Purchaser.

Section 5.04 Purchaser Public Information

The Purchaser has filed all documents or information required to be filed by it under applicable Laws or with the CSE (collectively, the "Purchaser Public Information"). The Purchaser Public Information at taken as a whole:

- (a) does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; and
- (b) complies in all material respects with the requirements of applicable Laws in effect at the time of filing.

Section 5.05 Material Change Report

The Purchaser has not filed any confidential material change report with any Governmental Authority which at the date hereof remains confidential.

Section 5.06 CSE Requirements

The Purchaser is not in default in any material respect of any requirements of any applicable securities Laws of Canada or the rules and regulations of the CSE as of the date hereof.

Section 5.07 Ordinary Course

Since September 30, 2018:

- (a) except as disclosed in the Purchaser Public Information, the Purchaser has conducted its activities and business in the ordinary course; and
- (b) there has not been a material adverse change in respect of the Purchaser.

Section 5.08 Reporting Issuer Status

The Purchaser is a "reporting issuer" under applicable securities Laws of British Columbia, Alberta and Ontario. As of the date hereof, the Purchaser has not knowingly or intentionally taken any action to cease to be a reporting issuer nor has the Purchaser received notification from any Governmental Authority seeking to revoke such reporting issuer status.

Section 5.09 Stock Exchange

The common shares of the Purchaser are listed on the CSE and are not listed on any market other than the CSE.

Section 5.10 Representations to Subscribers in the Purchaser Equity Raise

The Vendors will have the benefit of the representations and warranties made by the Purchaser to the underwriters in the agency or underwriting agreement with respect to the Purchaser Equity Raise and the subscribers in the Purchaser Equity Raise, and all such representations and warranties shall be deemed incorporated in this Agreement, form an integral part of this Agreement.

ARTICLE 6 COVENANTS

Section 6.01 Conduct of Business and Operations

From the date of this Agreement through the Closing, the Corporation shall conduct its business in the ordinary course and keep the Purchaser reasonably advised as to all of its material operations and proposed material operations. Without limiting the generality of the foregoing, without the prior written consent of the Purchaser, which consent shall not be unreasonably withheld, the Corporation shall:

- (a) not merge into or with or consolidate with, or acquire the business or assets of, any Person;
- (b) not (A) authorize the issuance of, issue, sell or transfer any securities, (B) adjust, split, combine, reclassify, repurchase or redeem any securities, or (C) declare, authorize, set aside or pay any dividend or other distribution (whether in cash, shares or other property) in respect of any securities;
- (c) not adopt a plan of complete or partial liquidation, dissolution, restructuring, arrangement, recapitalization or other reorganization;
- (d) not purchase any securities of any Person;
- (e) not dispose of any the assets of the Corporation, except in the ordinary course of business;
- (f) continue to maintain in full force and effect all policies of insurance or renewals thereof now in effect, and give all notices and present all claims under all policies of insurance in a due and timely fashion;
- (g) not borrow any funds, except as reasonably necessary for the operation of the business of the Corporation in the ordinary course;
- (h) not enter into, amend or terminate any material contractual arrangements;
- (i) not engage in any material activities or transactions outside the ordinary course of business; and
- (j) pay and discharge the liabilities of the Corporation in the ordinary course.

Section 6.02 Notice Regarding Changes

From the date of this Agreement through the Closing:

- (a) The Vendors shall promptly inform the Purchaser in writing of any change in facts and circumstances that could reasonably be expected to render the representations and warranties made herein by the Vendors inaccurate or misleading in any material respect.
- (b) The Purchaser shall promptly inform the Vendors in writing of any change in facts and circumstances that could reasonably be expected to render any of the representations and warranties made herein by the Purchaser inaccurate or misleading in any material respect.
- (c) The Corporation shall promptly inform the Purchaser and the Vendors in writing of any change in facts and circumstances that could reasonably be expected to render any of the representations and warranties made herein by the Corporation inaccurate or misleading in any material respect.

Section 6.03 Efforts to Consummate

Subject to the terms and conditions of this Agreement, each party hereto shall use all reasonable commercial efforts to take or cause to be taken all actions and do or cause to be done all things required

under applicable Law to consummate the transactions contemplated hereby, including, without limitation, (a) obtaining all Permits, authorizations, consents and approvals of any Governmental Authority or other Person which are required for or in connection with the consummation of the transactions contemplated hereby and by the Transaction Documents, (b) taking any and all reasonable actions necessary to satisfy all of the conditions to each party's obligations hereunder as set forth in Article 7, and (c) executing and delivering all agreements and documents required by the terms hereof to be executed and delivered by such party on or prior to the Closing.

Section 6.04 Director and Officer Liability and Indemnification

- (a) For a period of six years after the Closing, the Purchaser shall not permit the Corporation to amend, repeal or modify any provision in its articles, notice of articles or other governance documents relating to exculpation or indemnification of former officers and directors, it being the intent of the parties that the officers and directors of the Corporation prior to the Closing shall continue to be entitled to such exculpation and indemnification to the greatest extent permitted under the laws of the Province of British Columbia.
- (b) The Purchaser shall cause the Corporation to maintain following the Closing Date, "tail" insurance policies with a claims period of six (6) years from the Closing Date with respect to claims arising out of or relating to events which occurred on or before the Closing Date (including in connection with the transactions contemplated by this Agreement). The obligations of the Purchaser under this Section 6.04 shall not be terminated or modified in such a manner as to adversely affect any director or officer to whom this Section 6.04 applies without the consent of such affected director or officer (it being expressly agreed that the directors and officers to whom this Section 6.04 applies shall be third-party beneficiaries of this Section 6.04, each of whom may enforce the provisions of this Section 6.04). If the Corporation or any of its successors or assigns transfers all or substantially all of its properties to any Person, then proper provision shall be made so that the successors and assigns of the Corporation, shall assume all of the obligations set forth in this Section 6.04.

Section 6.05 Public Announcements

None of the parties hereto shall issue or make, or cause to have issued or made, any public release or announcement concerning this Agreement or the transactions contemplated hereby, without the advance approval in writing of the form and substance thereof by each of the other parties, except as required by any applicable Law or stock exchange requirement (in which case, so far as possible, there shall be consultation among the parties prior to such announcement).

Section 6.06 Confidentiality

Following the date hereof:

- (a) the Vendors shall keep confidential all information in their possession or under their control relating to the Purchaser and the Corporation and their respective businesses, except for information that is or becomes generally available to the public other than as a result of a disclosure in violation of this Agreement, and except for information required to be disclosed under applicable Law; and
- (b) the Purchaser shall keep confidential all information in their possession or under their control relating to the Vendors and their respective businesses, except for information that is or becomes generally available to the public other than as a result of a disclosure in violation of this Agreement, and except for information required to be disclosed under applicable Law.

Each party shall cause its respective Affiliates and Representatives to abide by the confidentiality restrictions set forth in this Section 6.06 and shall be responsible for any breach of confidentiality by its respective Affiliates and Representatives.

Section 6.07 Further Assurances

Following the Closing, each of the parties hereto shall, and shall cause their respective Affiliates to, execute and deliver such additional documents, instruments, conveyances and assurances and take such further actions as may be reasonably required to carry out the provisions hereof and give effect to the transactions contemplated by this Agreement.

ARTICLE 7 CLOSING CONDITIONS AND TERMINATION

Section 7.01 Conditions of All Parties

The obligations of each party to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment, at or before the Closing, of each of the following conditions:

- (a) No Governmental Authority shall have enacted, issued, promulgated, enforced or entered any Governmental Order which is in effect and has the effect of making the transactions contemplated by this Agreement illegal, otherwise restraining or prohibiting consummation of such transactions or causing any of the transactions contemplated hereunder to be rescinded following completion thereof.
- (b) If required by the rules of the CSE, the Purchaser shall have received a conditional approval from the CSE in respect of the issuance of the Purchaser Units in form and substance reasonably satisfactory to the Purchaser and the Vendors.

Section 7.02 Conditions to the Obligations of the Purchaser

The obligations of the Purchaser to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment or the Purchaser's waiver, at or before the Closing, of each of the following conditions:

- (a) The representations and warranties of the Vendors set out in Article 3 shall be true and correct in all respects as of the Closing Date with the same effect as though made at and as of such date (except those representations and warranties that address matters only as of a specified date, which shall be true and correct in all respects as of that specified date).
- (b) The representations and warranties of the Corporation set out in Article 4 shall be true and correct in all respects as of the Closing Date with the same effect as though made at and as of such date (except those representations and warranties that address matters only as of a specified date, which shall be true and correct in all respects as of that specified date).
- (c) The Vendors shall have duly performed and complied in all material respects with all agreements, covenants and conditions required by this Agreement to be performed or complied with by them before or on the Closing Date.
- (d) The Vendors shall have delivered, or caused to be delivered, to the Purchaser:
 - (i) a certificate from an officer of the Corporation, dated the Closing Date, that the condition set forth in Section 7.02(b) has been satisfied;
 - (ii) certified copies of (i) the articles and notice of articles of the Corporation and (ii) all resolutions of the directors of the Corporation approving the transfer of the Shares;
 - (iii) resignations of each director and officer of the Corporation; and
 - (iv) the share certificates evidencing the Shares (if such Shares are certificated) duly endorsed for transfer or accompanied by share transfers or other instruments of transfer.

Section 7.03 Conditions to the Obligations of the Vendors

The obligations of the Vendors to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment or the Vendors' waiver, at or before the Closing, of each of the following conditions:

- (a) The representations and warranties of the Purchaser set out in Article 5 shall be true and correct in all respects as of the Closing Date with the same effect as though made at and as of such date (except those representations and warranties that address matters only as of a specified date, which shall be true and correct in all respects as of that specified date).
- (b) The Purchaser shall have duly performed and complied in all material respects with all agreements, covenants and conditions required by this Agreement to be performed or complied with by it before or on the Closing Date.
- (c) The Purchaser shall have delivered, or caused to be delivered, to the Vendors:
 - (i) a certificate from the Purchaser, dated the Closing Date, that each of the conditions set forth in Section 7.03(a) and Section 7.03(b) has been satisfied;
 - (ii) certified copies of (i) the articles and notice of articles of the Purchaser and (ii) all resolutions of the directors of the Purchaser approving the entering into of this Agreement and the consummation of the transactions contemplated hereby, including the issuance of the Purchaser Units; and
 - (iii) the Purchaser Units in satisfaction of the Purchase Price.

Section 7.04 Termination

This Agreement may be terminated at any time before the Closing:

- (a) by the mutual written consent of the Vendors and the Purchaser;
- (b) by the Purchaser by written notice to the Vendors if:
 - (i) the Purchaser is not then in material breach of any provision of this Agreement and there has been a material breach, inaccuracy in or failure to perform any representation, warranty, covenant or agreement made by the Vendors or the Corporation under this Agreement that would give rise to the failure of any of the conditions specified in Article 7 and such breach, inaccuracy or failure cannot be cured by the Vendors or the Corporation, as applicable, by April 15, 2019 (the "**Outside Date**"); or
 - (ii) any of the conditions set forth in Section 7.01 or Section 7.02 shall not have been fulfilled by the Outside Date, unless such failure shall be due to the failure of the Purchaser to perform or comply with any of the covenants, agreements or conditions hereof to be performed or complied with by it before the Closing;
- (c) by the Vendors by written notice to the Purchaser if:
 - (i) the Vendors are not then in material breach of any provision of this Agreement and there has been a material breach, inaccuracy in or failure to perform any representation, warranty, covenant or agreement made by the Purchaser under this Agreement that would give rise to the failure of any of the conditions specified in Article 7 and such breach, inaccuracy or failure cannot be cured by the Purchaser by the Outside Date; or
 - (ii) any of the conditions set forth in Section 7.01 or Section 7.03 shall not have been fulfilled by the Outside Date, unless such failure shall be due to the failure of the Vendors to perform or comply with any of the covenants, agreements or

conditions hereof to be performed or complied with by them before the Closing;
or

- (d) by the Purchaser or the Vendors if:
 - (i) there shall be any Law that makes consummation of the transactions contemplated by this Agreement illegal or otherwise prohibited; or
 - (ii) any Governmental Authority shall have issued a Governmental Order restraining or enjoining the transactions contemplated by this Agreement.

Section 7.05 Effect of Termination

In the event of the termination of this Agreement in accordance with Section 7.04, this Agreement shall forthwith have no further force or effect and there shall be no liability on the part of any party hereto except:

- (a) as set forth in Section 6.05, Section 6.06 and Section 9.01; and
- (b) that nothing herein shall relieve any party hereto from liability for any intentional breach of any provision hereof.

ARTICLE 8 INDEMNIFICATION

Section 8.01 Survival

Subject to the limitations and other provisions of this Agreement, the representations and warranties set out herein shall survive the Closing and shall remain in full force and effect for a period of 12 months following the Closing Date; *provided that* any claim in respect of any representation or warranty based on fraud or intentional misrepresentation shall survive indefinitely. All covenants and agreements of the parties set out herein shall survive the Closing indefinitely or for the period explicitly specified therein. Notwithstanding the foregoing, any claims asserted in good faith with reasonable specificity (to the extent known at such time) and in writing by notice from the non-breaching party to the breaching party before the expiration date of the applicable survival period shall not thereafter be barred by the expiration of the relevant representation or warranty and such claims shall survive until finally resolved or the expiry of the limitation period under applicable Law, whichever is sooner.

Section 8.02 Indemnification by Vendors

Subject to the other terms and conditions of this Article 8, the Vendors shall, on a several basis (and not jointly), indemnify and defend the Purchaser against, and shall hold the Purchaser harmless from and against any Losses incurred or sustained by, or imposed upon, the Purchaser based upon, arising out of, with respect to or by reason of:

- (a) any inaccuracy in or breach of any of the representations or warranties of the Vendors contained in this Agreement or in any certificate or instrument delivered by or on behalf of the Vendors under this Agreement; and
- (b) any breach or non-fulfillment of any covenant, agreement or obligation to be performed by the Vendors under this Agreement.

Section 8.03 Indemnification by Purchaser

Subject to the other terms and conditions of this Article 8, the Purchaser shall indemnify and defend each of the Vendors against, and shall hold each of them harmless from and against, and shall pay and reimburse each of them for, any and all Losses incurred or sustained by, or imposed upon, the Vendors based upon, arising out of, with respect to or by reason of:

- (a) any inaccuracy in or breach of any of the representations or warranties of the Purchaser contained in this Agreement or in any certificate or instrument delivered by or on behalf of the Purchaser under this Agreement; or

- (b) any breach or non-fulfillment of any covenant, agreement or obligation to be performed by the Purchaser under this Agreement.

Section 8.04 Limitations

Notwithstanding anything to the contrary in this Article 8 or elsewhere in this Agreement:

- (a) the aggregate liability of a Vendor pursuant to Section 8.02(a) shall not exceed the amount of the Purchase Price actually received by such Vendor (based on a deemed price per Purchaser Unit equal to the Purchaser Unit Price);
- (b) the aggregate liability of the Purchaser pursuant to Section 8.03(a) shall not exceed an amount equal to the Purchase Price;
- (c) in no event shall any party be liable for any punitive, exemplary, incidental, consequential, special or indirect damages, including loss of future revenue or income, loss of business reputation or opportunity relating to the breach or alleged breach of this Agreement, or diminution of value or any damages based on any type of multiple; and
- (d) each party shall take, and cause its Affiliates to take, all reasonable steps to mitigate any Loss upon becoming aware of any event or circumstance that would be reasonably expected to, or does, give rise thereto, including incurring costs only to the minimum extent necessary to remedy the breach that gives rise to such Loss.

Section 8.05 Indemnification Procedures

The party making a claim under this Article 8 is referred to as the “**Indemnified Party**”, and the party against whom such claims are asserted under this Article 8 is referred to as the “**Indemnifying Party**”.

- (a) **Third-Party Claims.** If any Indemnified Party receives notice of the assertion or commencement of any Action made or brought by any Person who is not a party to this Agreement or an Affiliate of a party to this Agreement or a Representative of the foregoing (a “**Third-Party Claim**”) against such Indemnified Party with respect to which the Indemnifying Party is obligated to provide indemnification under this Agreement, the Indemnified Party shall give the Indemnifying Party reasonably prompt written notice thereof, but in any event not later than 30 calendar days after receipt of such notice of such Third Party Claim. The failure to give such prompt written notice shall not, however, relieve the Indemnifying Party of its indemnification obligations, except and only to the extent that the Indemnifying Party forfeits rights or defences by reason of such failure. Such notice by the Indemnified Party shall describe the Third Party Claim in reasonable detail, include copies of all material written evidence thereof and indicate the estimated amount, if reasonably practicable, of the Loss that has been or may be sustained by the Indemnified Party. The Indemnifying Party shall have the right to participate in, or by giving written notice to the Indemnified Party, to assume the defence of any Third Party Claim at the Indemnifying Party’s expense and by the Indemnifying Party’s own counsel, and the Indemnified Party shall cooperate in good faith in such defence; *provided that*, if the Indemnifying Party are the Vendors or Principals, such Indemnifying Party shall not have the right to defend or direct the defence of any such Third Party Claim that seeks an injunction or other equitable relief against the Indemnified Party. If the Indemnifying Party assumes the defence of any Third Party Claim, subject to Section 8.05(b), it shall have the right to take such action as it deems necessary to avoid, dispute, defend, appeal or make counter-claims pertaining to any such Third Party Claim in the name and on behalf of the Indemnified Party. The Indemnified Party shall have the right to participate in the defence of any Third Party Claim with counsel selected by it subject to the Indemnifying Party’s right to control the defence thereof. The fees and disbursements of such counsel shall be at the expense of the Indemnified Party. If the Indemnifying Party elects not to compromise or defend such Third Party Claim, fails to promptly notify the Indemnified Party in writing of its election to defend as provided in this Agreement or fails to diligently prosecute the defence of such Third Party Claim, the Indemnified Party may pay,

compromise, defend such Third Party Claim and seek indemnification for any and all Losses based upon, arising from or relating to such Third Party Claim.

- (b) **Settlement of Third-Party Claims.** The Indemnifying Party shall not enter into settlement of any Third Party Claim without the prior written consent of the Indemnified Party.
- (c) **Direct Claims.** Any Action by an Indemnified Party on account of a Loss which does not result from a Third Party Claim (a "Direct Claim") shall be asserted by the Indemnified Party giving the Indemnifying Party reasonably prompt written notice thereof, but in any event not later than 30 days after the Indemnified Party becomes aware of such Direct Claim. The failure to give such prompt written notice shall not, however, relieve the Indemnifying Party of its indemnification obligations, except and only to the extent that the Indemnifying Party forfeits rights or defences by reason of such failure. Such notice by the Indemnified Party shall describe the Direct Claim in reasonable detail, shall include copies of all material written evidence thereof and shall indicate the estimated amount, if reasonably practicable, of the Loss that has been or may be sustained by the Indemnified Party. The Indemnifying Party shall have 30 days after its receipt of such notice to respond in writing to such Direct Claim. The Indemnified Party shall allow the Indemnifying Party and its professional advisors to investigate the matter or circumstance alleged to give rise to the Direct Claim, and whether and to what extent any amount is payable in respect of the Direct Claim, and the Indemnified Party shall assist the Indemnifying Party's investigation by giving such information and assistance (including access to the Corporation's premises and personnel and the right to examine and copy any accounts, documents or records) as the Indemnifying Party or any of its professional advisors may reasonably request. If the Indemnifying Party does not so respond within such 30 day period, the Indemnifying Party shall be deemed to have rejected such claim, in which case the Indemnified Party shall be free to pursue such remedies as may be available to the Indemnified Party on the terms and subject to the provisions of this Agreement.

Section 8.06 Tax Treatment of Indemnification Payments

All indemnification payments made under this Agreement shall be treated by the parties as an adjustment to the Purchase Price for Tax purposes, unless otherwise required by Law.

Section 8.07 Remedies Cumulative

The rights, remedies, powers and privileges herein provided to a Party are cumulative and in addition to and not exclusive of or in substitution for any rights, remedies, powers and privileges otherwise available to that Party.

ARTICLE 9 MISCELLANEOUS

Section 9.01 Expenses

Except as otherwise expressly provided herein, all costs and expenses, including fees, disbursements and charges of counsel, financial advisors and accountants, incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the party incurring such costs and expenses.

Section 9.02 Notices

All notices, requests, consents, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been given: (a) when delivered by hand (with written confirmation of receipt); (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by email of a PDF document if sent during normal business hours of the recipient, and on the next Business Day if sent after normal business hours of the recipient; or (d) on the third day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications must be sent to the respective parties at the following addresses

(or at such other address for a party as shall be specified in a notice given in accordance with this Section 9.02):

(i) if to MMCAP, at:

90 Fort Street
George Town Financial Centre
Grand Cayman, Cayman Islands
KY1-1104

Attention: Matthew MacIsaac
Email: matt@mmcap.ky

(ii) if to Parkwood, at:

366 Adelaide Street West
Suite 601
Toronto, ON
M5V 1R9

Attention: Dan Sternbeg
Email: dan@parkwoodcapital.ca

(iii) if to Samara, at:

366 Adelaide Street West
Suite 601
Toronto, ON
M5V 1R9

Attention: Ben Cubitt
Email: bcubitt@samarafunds.com

(iv) if to Bromma, at:

44 Victoria Street
Suite 712
Toronto, ON
M5C 1Y2

Attention: Harry Lundin
Email: Hlundin@bromma.ca

(v) if to PSC, at:

130 King Street West
Suite 2110
Toronto ON
M5X 1B1

Attention: Robert Pollack
Email: rpollock@primarycapital.ca

(vi) if to 2180447, at:

130 King Street West
Suite 2210

Toronto, ON
M5X 1E4

Attention: David D'Onofrio
Email: ddonofrio@poweronecapital.com

(vii) if to PowerOne, at:

130 King Street West
Suite 2210
Toronto, ON
M5X 1E4

Attention: Pat Dicapo
Email: pdicapo@poweronecapital.com

(viii) if to CRM or MacIntyre, at:

c/o
414-100 Richmond St. W
Toronto, Ontario
M5H 3K6

Attention: Chris MacIntyre
Email: chris@crmgc.net

(ix) if to the Purchaser, at:

789 West Pender Street
Suite 810
Vancouver, BC
V6C 1H2

Attention: Johannes van der Linde
Email: theo@pashleth.com

with a copy to:

789 West Pender Street
Suite 810
Vancouver, BC
V6C 1H2

Attention: Eugene Beukman
Email: ebeukman@pendergroup.ca

(x) if to the Corporation, at:

414-100 Richmond St. W
Toronto, Ontario
M5H 3K6

Attention: President
Email: chris@crmgc.net

with a copy to:

Cassels Brock & Blackwell LLP
2100 Scotia Plaza, 40 King Street West
Toronto, Ontario, M5H 3C2

Attention: Jeff Mikelberg
Email: jmikelberg@casselsbrock.com

Section 9.03 Interpretation

For purposes of this Agreement: (a) the words "include," "includes" and "including" shall be deemed to be followed by the words "without limitation"; (b) the word "or" is not exclusive; and (c) the words "herein," "hereof," "hereby," "hereto" and "hereunder" refer to this Agreement as a whole. Unless the context otherwise requires, references herein: (x) to Articles, Sections and Exhibits mean the Articles and Sections of, and Exhibits attached to, this Agreement; (y) to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof; and (z) to a statute means such statute as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted. The Exhibits referred to herein shall be construed with, and as an integral part of, this Agreement to the same extent as if they were set forth verbatim herein.

Section 9.04 Headings

The headings in this Agreement are for reference only and shall not affect the interpretation of this Agreement.

Section 9.05 Severability

If any term or provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

Section 9.06 Entire Agreement

This Agreement constitutes the sole and entire agreement of the parties to this Agreement with respect to the subject matter contained herein and supersedes all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter. In the event of any inconsistency between the statements in the body of this Agreement and the Exhibits, the statements in the body of this Agreement will control.

Section 9.07 Successors and Assigns

This Agreement shall be binding upon and shall enure to the benefit of the parties hereto and their respective successors and permitted assigns. No party may assign its rights or obligations hereunder without the prior written consent of the other parties.

Section 9.08 No Third-Party Beneficiaries

Except as provided in Section 6.04, this Agreement is for the sole benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other Person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

Section 9.09 Amendment and Modification; Waiver

This Agreement may only be amended, modified or supplemented by an agreement in writing signed by each party hereto. No waiver by any party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the party so waiving. No waiver by any party shall operate or

be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

Section 9.10 Governing Law; Forum

- (a) This Agreement shall be governed by and construed in accordance with the Laws of the Province of Ontario and the federal Laws of Canada applicable therein.
- (b) Any Action arising out of or based upon this Agreement or the transactions contemplated hereby shall be brought in the courts of the Province of Ontario, and each party irrevocably submits and agrees to attorn to the exclusive jurisdiction of the courts in the Province of Ontario in any such Action. The parties irrevocably and unconditionally waive any objection to the venue of any Action or proceeding in that court and irrevocably waive and agree not to plead or claim in that court that such Action has been brought in an inconvenient forum.

Section 9.11 Specific Performance

The parties agree that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof and that the parties shall be entitled to specific performance of the terms hereof, in addition to any other remedy to which they are entitled at law or in equity.

Section 9.12 Independent Legal Advice

Each party hereto acknowledges, confirms, and agrees that Cassels Brock & Blackwell LLP has acted as counsel to the Corporation. Each of the Vendors and the Purchaser hereby covenants and agrees that it had the opportunity to seek and was not prevented nor discouraged by any party hereto from seeking independent legal advice prior to the execution and delivery of this Agreement and that, in the event that such party did not avail itself with that opportunity prior to signing this Agreement, it did so voluntarily without any undue pressure and agrees that its failure to obtain independent legal advice should not be used by it as a defence to the enforcement of its obligations under this Agreement. Upon execution of this Agreement, each party hereby acknowledges and confirms that it has either obtained such independent legal advice or waived its opportunity to seek and obtain such advice.


Section 9.13 Counterparts

This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by email or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above.

ORGANIC FLOWER INVESTMENTS GROUP INC.

By: 
Name: Theo van der Linde
Title: Director

MMCAP INTERNATIONAL INC.

By: 
Name: _____
Title: _____

PARKWOOD MASTER FUND LTD.

By: 
Name: _____
Title: _____

SAMARA FUND LTD.

By: 
Name: _____
Title: _____

BROMMA RESOURCES MASTER FUND INC.

By: 
Name: _____
Title: _____

POLLOCK SERVICES CORP.

By: 
Name: Robert Pollack
Title: Authorized Signatory


CRM GLOBAL CAPITAL INC.

By: 
Name: Christopher MacIntyre
Title: Authorized Signatory

2180447 ONTARIO INC.

By: 
Name: David D'Onofrio
Title: Authorized Signatory


POWERONE MANAGEMENT & ADVISORY SERVICES LIMITED

By: 
Name: Pasquale DiCapo
Title: Authorized Signatory



CHRISTOPHER MACINTYRE

1180782 B.C. LTD. d/b/a DELTA ORGANIC CANNABIS

By: 
Name: Christopher MacIntyre
Title: President

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above.

ORGANIC FLOWER INVESTMENTS GROUP INC.

By: _____
Name:
Title:

MMCAP INTERNATIONAL INC.

By: MacIsaac
Name: Matthew MacIsaac
Title: Secretary MM Asset Management Inc. as investment sub-advisor to MM Asset Management Inc.

PARKWOOD MASTER FUND LTD.

By: _____
Name:
Title:

SAMARA FUND LTD.

By: _____
Name:
Title:

BROMMA RESOURCES MASTER FUND INC.

By: _____
Name:
Title:

POLLOCK SERVICES CORP.

By: _____
Name: Robert Pollock
Title: Authorized Signatory

CRM GLOBAL CAPITAL INC.

By: _____
Name: Christopher MacIntyre
Title: Authorized Signatory

2180447 ONTARIO INC.

By: _____
Name: David D'Onofrio
Title: Authorized Signatory

POWERONE MANAGEMENT & ADVISORY SERVICES LIMITED

By: _____
Name: Pasquale DiCapo
Title: Authorized Signatory

CHRISTOPHER MACINTYRE

1180782 B.C. LTD. d/b/a DELTA ORGANIC CANNABIS

By: _____
Name: Christopher MacIntyre
Title: President

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above.

ORGANIC FLOWER INVESTMENTS GROUP INC.

By: _____
Name:
Title:

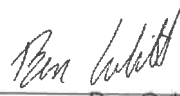
MMCAP INTERNATIONAL INC.

By: _____
Name:
Title:

PARKWOOD MASTER FUND LTD.

By:  _____
Name: Dan Sternberg
Title: Manager

SAMARA FUND LTD.

By:  _____
Name: Ben Cubitt
Title: director

BROMMA RESOURCES MASTER FUND INC.

By: _____
Name:
Title:

POLLOCK SERVICES CORP.

By: _____
Name: Robert Pollock
Title: Authorized Signatory

CRM GLOBAL CAPITAL INC.

By: _____
Name: Christopher MacIntyre
Title: Authorized Signatory

2180447 ONTARIO INC.

By: _____
Name: David D'Onofrio
Title: Authorized Signatory

POWERONE MANAGEMENT & ADVISORY SERVICES LIMITED

By: _____
Name: Pasquale DiCapo
Title: Authorized Signatory

CHRISTOPHER MACINTYRE

1180782 B.C. LTD. d/b/a DELTA ORGANIC CANNABIS

By: _____
Name: Christopher MacIntyre
Title: President

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above.

ORGANIC FLOWER INVESTMENTS GROUP INC.

By: _____
Name:
Title:

MMCAP INTERNATIONAL INC.

By: _____
Name:
Title:


PARKWOOD MASTER FUND LTD.

By: _____
Name:
Title:

SAMARA FUND LTD.

By: _____
Name:
Title:

BROMMA RESOURCES MASTER FUND INC.

By:  _____
Name: Jason Chen
Title: President & CIO

POLLOCK SERVICES CORP.

By: _____
Name: Robert Pollack
Title: Authorized Signatory

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By: _____
Name: Christopher MacIntyre
Title: Authorized Signatory

2180447 ONTARIO INC.

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POWERONE MANAGEMENT & ADVISORY SERVICES LIMITED

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SAMARA FUND LTD.

By: _____
Name:
Title:

BROMMA RESOURCES MASTER FUND INC.

By: _____
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POLLOCK SERVICES CORP.

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2180447 ONTARIO INC.

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POWERONE MANAGEMENT & ADVISORY SERVICES LIMITED

By: _____
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SAMARA FUND LTD.

By: _____
Name:
Title:

BROMMA RESOURCES MASTER FUND INC.

By: _____
Name:
Title:

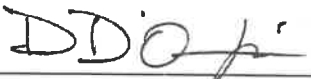
POLLOCK SERVICES CORP.

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Name: Robert Pollack
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POWERONE MANAGEMENT & ADVISORY SERVICES LIMITED

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Title: Authorized Signatory

CHRISTOPHER MACINTYRE

1180782 B.C. LTD. d/b/a DELTA ORGANIC CANNABIS

By: _____
Name: Christopher MacIntyre
Title: President

EXHIBIT A
Shares and Purchaser Units

Vendor	Residency under the Tax Act	Shares	Purchaser Units
██████████	Non-resident	10,125,000 common shares	42,187,500
██████████	Non-resident	1,250,000 common shares	5,208,333
██████████	Non-resident	625,000 common shares	2,604,167
██████████	Non-resident	500,000 common shares	2,083,333
██████████	Not a non-resident	168,500 common shares	702,083
██████████	Not a non-resident	168,500 common shares	702,083
██████████	Not a non-resident	144,000 common shares	600,000
██████████	Not a non-resident	144,000 common shares	600,000
██████████	Not a non-resident	1 common share	4
Total:		13,125,001 common shares	54,687,503

**Exhibit B
Form of Warrant**

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE ●.

THE SECURITIES REPRESENTED HEREBY ARE SUBJECT TO THE RULES AND POLICIES OF THE TSX VENTURE EXCHANGE. WITHOUT PRIOR WRITTEN APPROVAL OF THE TSX VENTURE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS CERTIFICATE AND ANY SECURITIES ACQUIRED UPON THE EXERCISE THEREOF MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF THE TSX VENTURE EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL ●.

THE WARRANTS EVIDENCED HEREBY ARE EXERCISABLE UNTIL 4:00 PM (VANCOUVER TIME) ON DECEMBER 05, 2020, AFTER WHICH TIME THEY WILL EXPIRE AND BE OF NO FURTHER FORCE AND EFFECT OR VALUE.

WARRANT CERTIFICATE

**Q INVESTMENTS LTD.
(CONTINUED UNDER THE LAWS OF BERMUDA)**

Warrant Certificate No: 2018-12-05/«Warrant_Cert_No»

«Number_of_Securities_» Warrar

THIS IS TO CERTIFY THAT, for value received «Registration_Instructions» (hereinafter called the "Holder") is entitled to subscribe for and purchase one fully paid and non-assessable common share in the capital of Organic Flower Investments Group Inc. (hereinafter called the "Issuer") as constituted on the date hereof (a "Warrant Share") for each warrant represented hereby (a "Warrant") at the price of CDN\$0.65 per Warrant Share (the "Exercise Price") at any time prior to 4:00 pm (Vancouver Time) on December 05, 2020 (the "Expiry Date"), subject to the terms and conditions set forth in this Warrant Certificate.

IN WITNESS WHEREOF the Issuer has caused this Warrant Certificate to be duly executed by its authorized signatory as of ●.

ORGANIC FLOWER INVESTMENTS GROUP INC.

By: _____
Authorized Signatory of Issuer

TERMS AND CONDITIONS

Exercise of Warrants

Subject to the remainder of these terms and conditions, the Warrants represented by this Warrant Certificate may be exercised by the Holder, in whole or in part (but not as to a fractional share of a Warrant Share), at any time prior to 4:00 pm (Vancouver Time) on the Expiry Date by completing and executing the Warrant Exercise Form in the form attached hereto as Appendix A (or other instrument of exercise in such form as the Issuer may from time to time prescribe) and surrendering the Warrant Exercise Form and this Warrant Certificate at the office of the Issuer at the address set out on the Warrant Exercise Form (or such other office or agency of the Issuer as it may designate by notice in writing delivered to the Holder at the address stated above), together with a certified cheque, bank draft or money order in lawful money of Canada payable to or to the order of the Issuer in payment of the Exercise Price multiplied by the number of Warrant Shares subscribed for.

In the event of the exercise of any Warrants represented by this Warrant Certificate, certificates for the Warrant Shares so subscribed for will be delivered to the Holder within a reasonable time, not exceeding ten (10) business days after the Warrants will have been so exercised, and, unless this Warrant Certificate has expired, if less than all the Warrants represented by this Warrant Certificate are exercised, a new warrant certificate representing the Warrants that the Holder has not exercised will be issued to the Holder within such time.

In the event of the exercise of any Warrants represented by this Warrant Certificate by a Holder prior to the expiry of the hold periods set out in the legends required under applicable Canadian securities laws and policies of the TSX Venture Exchange located on the first page of this Warrant Certificate, certificates representing the Warrant Shares to be issued to such Holder upon the exercise of such Warrants must be issued in the name of the Holder and shall bear legends setting out the terms of the applicable hold periods.

Upon the exercise of a Warrant, all rights under the Warrant, other than the right to receive a certificate representing the Warrant Share to which the Holder is entitled on such exercise, shall wholly cease and terminate and such Warrant shall be void and of no further effect or value.

This Warrant and the securities issuable upon exercise hereof have not been and will not be registered under the *United States Securities Act of 1933, as amended* (the "U.S. Securities Act"), or the securities laws of any state of the United States. This Warrant may not be exercised by or on behalf of a U.S. person or a person in the United States unless the Warrant and the underlying securities have been registered under the U.S. Securities Act and the applicable securities legislation of any such state, or an exemption from such registration requirements is available. "United States" and "U.S. person" are as defined by Regulation S under the U.S. Securities Act.

Control Person

Notwithstanding anything else contained in this Warrant Certificate, the Holder shall not be permitted to exercise any Warrants represented by this Warrant Certificate if, following their exercise, the Holder will directly or indirectly own or control more than 20% of the Issuer.

No Fractional Warrant Shares

No fractional Warrant Shares will be issued upon exercise of any Warrant, nor will any compensation be made for such fractional Warrant Shares, if any.

Transfer of Warrants

Subject to any restriction on transfer set out on the first page of this Warrant Certificate and compliance with any further requirements of the Issuer (which may include the delivery of an acceptable legal opinion confirming the transfer may occur), the Warrants represented by this Warrant Certificate may be transferred by the Holder at any time prior to the Expiry Date by completing and executing the Warrant Transfer Form in the form attached hereto as Appendix B (or other instrument of transfer in such form as the Issuer may from time to time prescribe) and surrendering the Warrant Transfer Form and this Warrant Certificate at the office of the

Issuer at the address set out on the Warrant Transfer Form, together with such evidence of the genuineness of each endorsement, execution and authorization and of other matters as may reasonably be required by the Issuer. No transfer of this Warrant shall be made if in the opinion of counsel to the Issuer such transfer would result in the violation of any applicable securities laws.

In the event of the transfer of any Warrants represented by this Warrant Certificate, the Issuer shall issue and deliver to the transferee a warrant certificate for the number of Warrants as specified in the Warrant Transfer Form within a reasonable time and, unless this Warrant Certificate has expired, if less than all the Warrants represented by this Warrant Certificate are transferred, a new warrant certificate representing the Warrants that the Holder has not transferred will be issued to the Holder.

Adjustment

If at any time after the date hereof and prior to the Expiry Date, and provided that any Warrants remain unexercised, there shall be:

1. a reclassification of the Issuer's common shares, a change in the Issuer's common shares into other shares or securities, a subdivision or consolidation of the Issuer's common shares into a greater or lesser number of common shares, a share dividend or any other capital reorganization, or
2. a consolidation, amalgamation, plan of arrangement or merger of the Issuer with or into any other corporation other than a consolidation, amalgamation, plan of arrangement or merger which does not result in any reclassification of the Issuer's outstanding common shares or a change of the Issuer's common shares into other shares or securities,

(any of such events being called a "Capital Reorganization") any Holders who shall thereafter exercise their right to acquire Warrant Shares pursuant to this Warrant shall be entitled to receive, at no additional cost, and shall accept in lieu of the number of Warrant Shares to which such Holder was theretofore entitled to acquire upon such exercise, the aggregate number of shares, other securities or other property which such Holder should have been entitled to receive as a result of such Capital Reorganization if, on the effective date or record date thereof as the case may be, the Holder had been the registered holder of the number of Warrant Shares to which such Holder was theretofore entitled to acquire upon exercise of this Warrant. No adjustment shall be made in respect of any event described herein if the Holder is entitled to participate in such event on the same terms, without amendment, as if the Holder had exercised the Warrants prior to or on the effective date or record date of such event.

If determined appropriate by the Issuer acting reasonably, appropriate adjustments shall be made in the application of the provisions set forth herein with respect to the rights and interests of the Holder relative to a Capital Reorganization, to the end that the provisions set forth herein shall correspond as nearly as may be reasonably possible to the effect of the Capital Reorganization in relation to any shares, other securities or other property thereafter deliverable upon the exercise of any Warrant. Any such adjustment made by and approved by the directors of the Issuer shall for all purposes be conclusively deemed to be an appropriate adjustment.

The adjustments provided for herein are cumulative and such adjustments shall be made successively whenever an event referred to herein shall occur, subject to the limitations provided for herein. No adjustment shall be made in the number or kind of Warrant Shares or other securities which may be acquired on the exercise of a Warrant unless it would result in a change of at least one-tenth of a Warrant Share or other security. Any adjustment which may by reason of this paragraph not be required to be made shall be carried forward and then taken into consideration in any subsequent adjustment.

In the event of any question arising with respect to any adjustment provided for herein, such question shall be conclusively determined by a firm of chartered accountants appointed by the Issuer at its sole discretion (who may be the Issuer's auditors) and any such determination shall be binding upon the Issuer and the Holder.

In case the Issuer, after the date hereof, shall take any action affecting any securities of the Issuer, other than as previously set out herein, which in the opinion of the directors would materially affect the rights and interests of the Holder hereunder, the number of Warrant Shares or other securities which shall be issuable on the exercise of the Warrants shall be adjusted in such manner, if any, and at such time as the directors, in their sole discretion, may determine to be equitable in the circumstances, provided that no such adjustment will be made unless all necessary regulatory approvals, if any, have been obtained. Failure by the directors to take any action to provide for such an adjustment prior to the effective date of any action by the Issuer which affects any securities of the Issuer shall be evidence that the directors have determined that it is equitable to make no adjustment in the circumstances.

Notwithstanding any adjustments provided for herein or otherwise, the Issuer shall not be required, upon the exercise of any Warrants, to issue fractional Warrant Shares or other securities in satisfaction of its obligations hereunder and, except as provided for herein, any fractions shall be eliminated. To the extent that the Holder would otherwise be entitled to acquire a fraction of a Warrant Share or other security, such right may be exercised in respect of such fraction only in combination with other rights which in the aggregate entitle the Holder to acquire a whole number of Warrant Shares or other securities. The Holder shall be entitled, upon the elimination of any fraction of a Warrant Share or other security, to be paid in cash for the fair market value for the securities so eliminated, always provided that the Issuer shall not be required to make any payment if for less than CDN\$10.

Replacement of Warrant Certificate

If this Warrant Certificate becomes mutilated or is lost, destroyed or stolen, the Issuer shall issue and deliver a new warrant certificate of like tenor as the one mutilated, lost, destroyed or stolen in place of and upon cancellation of the Warrant Certificate. The Holder shall bear the costs of the issue thereof and in case of loss, destruction or theft shall, as a condition precedent to the issue thereof, furnish to the Issuer such evidence of ownership and of the loss, destruction or theft of the Warrant Certificate with such indemnity and surety bond as the Issuer may require.

Warrant Holder is not a Shareholder

Nothing contained in this Warrant Certificate shall be construed as conferring upon the Holder any right or interest whatsoever as a shareholder of the Issuer or any other right or interest except as herein expressly provided.

Governing Law

This Warrant Certificate is governed by the laws of the Province of British Columbia and the laws of Canada applicable therein.

Time of the Essence

Time is of the essence hereof.

**APPENDIX A
WARRANT EXERCISE FORM**

TO: Organic Flower Investments Inc., 810 - 789 West Pender Street, Vancouver, British Columbia, V6C 1H2

The undersigned, _____ (the "**Holder**"), hereby exercises the right to purchase and hereby subscribes for _____ common shares in the capital of Organic Flower Investments Inc. (the "**Issuer**") pursuant to the terms and conditions set forth in the Warrant Certificate surrendered herewith and makes payment of the purchase price of CDN\$ _____ by certified cheque, bank draft or money order payable to or to the order of the Issuer.

The undersigned hereby irrevocably directs that the share certificate representing the common shares being purchased be issued and delivered as follows:

REGISTRATION INSTRUCTIONS

DELIVERY INSTRUCTIONS

(name of registered holder)

(name of recipient and account number)

(address of registered holder)

(address of recipient)

(contact name)

(contact name)

(email address of contact)

(email address of contact)

(telephone number of contact)

(telephone number of contact)

The undersigned hereby represents and warrants to the Issuer as follows (Please check the **ONE** box applicable):

- The undersigned hereby certifies that (i) at the time of exercise, it is not a U.S. person or a person in the United States and did not execute this Warrant Exercise Form while within the United States; and (ii) it is not exercising any of the Warrants on behalf or for the account or benefit of any U.S. person or any person in the United States; **OR**
- The undersigned is delivering a written opinion of U.S. counsel (which must be satisfactory to the Issuer) to the effect that issuance of the common shares to be delivered upon exercise hereof is registered or exempt from registration under the *Securities Act Securities Act of 1933, as amended* (the "U.S. Securities Act") and any applicable state securities laws.

"United States" and "U.S. person" are as defined in Regulation S under the U.S. Securities Act.

The undersigned Holder understands that unless the first box above is checked, the certificate representing the common shares being purchased will bear a legend restricting transfer without registration under the U.S. Securities Act and applicable state legislation.

DATED this _____ day of _____, 20_____.

Authorized Signatory

** If the common shares are to be issued to a person other than the Holder, a Warrant Transfer Form must be completed and the signature must be guaranteed by a Canadian chartered bank or guarantor institution with membership in an approved signature guarantee medallion program.*

**APPENDIX B
WARRANT TRANSFER FORM**

TO: Organic Flower Investments Inc., 810 - 789 West Pender Street, Vancouver, British Columbia, V6C 1H2

FOR VALUE RECEIVED, the undersigned, _____ (the "Holder"), hereby sells, assigns and transfers unto:

Name of Transferee (the "Transferee")

Address of Transferee

_____ of the Warrants of Organic Flower Investments Inc. (the "Issuer") registered in the name of the Holder represented by and pursuant to the terms and conditions set forth in the Warrant Certificate surrendered herewith and does hereby appoint the Issuer as its attorney with full power of substitution to transfer the Warrants.

THE UNDERSIGNED HOLDER HEREBY CERTIFIES AND DECLARES that the Warrants are not being offered, sold or transferred to, or for the account or benefit of, a U.S. Person (as defined in Regulation S under the U.S. Securities Act of 1933, as amended) or a person within the United States unless (a) registered under the U.S. Securities Act and any applicable state securities laws or (b) an exemption from such registration is available in connection with such transfer and the Holder provides an opinion of legal counsel, of recognized standing in form and substance satisfactory to the Issuer, to such effect. The undersigned hereby certifies that the Warrants are being sold, assigned or transferred in accordance with all applicable securities laws.

DATED this _____ day of _____, 20_____.

Authorized Signatory

* The signature on this Warrant Transfer Form must correspond with the name as recorded on the Warrant Certificate in every particular without alteration or enlargement or any change whatever. The signature of the person executing this Warrant Transfer Form must be guaranteed by a Canadian Chartered Bank or guarantor institution with membership in an approved signature guarantee medallion program.

Signature Guaranteed by:*

Authorized

Signature

Number:

** If the Warrant Certificate bears a legend restricting transfer of the Warrants under the United States Securities Act of 1933, as amended, this Warrant Transfer Form must be accompanied by evidence satisfactory to the Issuer that the proposed transfer is permitted by applicable securities legislation.*

SHARE EXCHANGE AGREEMENT

THIS SHARE EXCHANGE AGREEMENT is made as of the 28th day of May, 2019 and is

AMONG

THE PERSONS IDENTIFIED ON SCHEDULE A TO THIS AGREEMENT AS THE SELLERS,

(together, the “**Sellers**”)

AND

11406426 CANADA CORP O/A COLORADO SCIENCE COMPANY., a corporation incorporated under the federal laws of Canada

(“**CanadaCorp.**”)

AND

ORGANIC FLOWER INVESTMENTS GROUP INC., a corporation incorporated under the laws of the Province of British Columbia

(“**SOW**”)

RECITALS:

- A. The Sellers are the registered and beneficial owners of an aggregate of 10,000 Class A shares, representing 100% of the issued and outstanding shares of CanadaCorp (the “**Subject Shares**”).
- B. SOW is a reporting issuer in the provinces of British Columbia, Alberta and Ontario with its common shares listed for trading on the Canadian Securities Exchange.
- C. The Sellers wish to sell to SOW, and SOW wishes to purchase from the Sellers, 80% of the Subject Shares (the “**Purchased Shares**”) on the terms and conditions set forth in this Agreement.
- D. CanadaCorp is party to the Formulations Development Agreement dated May 28, 2019 (the “**Formulations Development Agreement**”) for the provision of services by Mile High Food Science, LLC to CanadaCorp relating to licensing, as well as the right to formulate and package the following cannabis related products: gummies, chews, hard candy, teas, coffees, protein drinks, chocolate milk, pet foods, skincare lotions, bath bombs, ice cream, non-alcoholic beer, cookies, brownies, taffy, stroop waffles and skittle type candies.

IN CONSIDERATION of the premises and mutual covenants hereinafter contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the parties hereto, the parties agree with one another as follows:

1. Definitions and Interpretation

1.1 *Definitions.* Whenever used in this Agreement, the following words and terms will have the respective meanings ascribed to them below:

- 1.1.1 “**Agreement**” means this Share Exchange Agreement, all of the Schedules to this Share Exchange Agreement and all instruments supplemental to or in amendment or confirmation of this Share Exchange Agreement.
- 1.1.2 “**Assets**” means the undertaking, property and assets of CanadaCorp or SOW, as the case may be, as a going concern of every kind and description, wheresoever situated.
- 1.1.3 “**Business**” means in the case of SOW, as applicable, its current business as presently conducted, as disclosed in the SOW Public Record.
- 1.1.4 “**CanadaCorp Shares**” means the Class A shares in the capital of CanadaCorp as they are presently constituted.
- 1.1.5 “**Closing**” means the completion of the purchase and sale of the Purchased Shares pursuant to this Agreement.
- 1.1.6 “**Closing Date**” means the date on which the purchase and sale of all of the issued and outstanding Purchased Shares is completed, which shall be the date mutually agreed by CanadaCorp and SOW.
- 1.1.7 “**Closing Time**” means 10:00 a.m. (Toronto time) on the Closing Date or such other time on such date as the parties may agree as the time at which the Closing will take place.
- 1.1.8 “**Damages**” has the meaning given in Section 6.1.
- 1.1.9 “**Encumbrance**” means any lien, pledge, hypothecation, charge, mortgage, security interest, encumbrance, claim, infringement, interference, option, right of first refusal, pre-emptive right, community property interest or restriction of any nature (including any restriction on the voting of any security, any restriction on the transfer of any security or other asset, any restriction on the receipt of any income derived from any asset, any restriction on the use of any asset and any restriction on the possession, exercise or transfer of any other attribute of ownership of any asset).
- 1.1.10 “**Exchange**” means the Canadian Securities Exchange.
- 1.1.11 “**Governmental Authority**” means any federal, provincial, state, municipal, county or regional government or governmental authority, domestic or foreign and includes any department, commission, board, administrative agency or regulatory body thereof.

- 1.1.12 “**IFRS**” means International Financial Reporting Standards.
- 1.1.13 “**Intellectual Property Rights**” means all patents and inventions, trademarks, trade names and styles, logos and designs, service marks, trade dress, industrial designs, internet domain names, world wide websites, website names, electronic mail addresses, copyrights, trade secrets, technical information, engineering procedures, designs, know-how and processes (whether confidential or otherwise), software, other industrial property (including applications for any of these) and other similar rights and properties.
- 1.1.14 “**Payment Shares**” has the meaning given in Section 2.2.
- 1.1.15 “**Person**” includes an individual, corporation, partnership, joint venture, trust, unincorporated organization, the Crown or any agency or instrumentality thereof or any other juridical entity.
- 1.1.16 “**Purchase Price**” has the meaning given in Section 2.2.
- 1.1.17 “**Purchased Shares**” has the meaning given in the recitals above.
- 1.1.18 “**SEDAR**” means the System for Electronic Document Analysis and Retrieval.
- 1.1.19 “**SOW Financial Statements**” means the audited consolidated financial statements of SOW for the fiscal years ended June 30, 2018 and June 30, 2017, and the unaudited consolidated financial statements of SOW for the period ended December 31, 2018, copies of which have been filed by SOW on SEDAR.
- 1.1.20 “**SOW Public Record**” means all publicly available press releases, material change reports, annual information forms, information circulars, financial statements and other documents that have been disclosed by SOW to the public and filed with any applicable Canadian or other securities regulatory authority or otherwise posted on SEDAR.
- 1.1.21 “**SOW Shares**” means the common shares in the capital of SOW as they are presently constituted.
- 1.1.22 “**Subsidiary**” means, with respect to a specified body corporate, any body corporate of which more than 50% of the outstanding shares ordinarily entitled to elect a majority of the board of directors thereof (whether or not shares of any other class or classes will or might be entitled to vote upon the happening of any event or contingency) are at the time owned directly or indirectly by such specified body corporate and will include any body corporate, partnership, joint venture or other entity over which it exercises direction or control.
- 1.1.23 “**Taxes**” means all levies and assessments imposed by any Governmental Authority, including but not limited to all income, sales, use, ad valorem, value added, franchise, withholding, payroll, employment, excise or property taxes, together with any applicable interest or penalty.

- 1.2 *Gender and Number.* In this Agreement, words importing the singular include the plural and vice versa and words importing gender include all genders.
- 1.3 *Article and Section Headings.* Article and Section headings contained in this Agreement are included solely for convenience, are not intended to be full or accurate descriptions of the content of any Article or Section and will not be considered to be part of this Agreement.
- 1.4 *Schedules.* The following Schedules are an integral part of this Agreement:
- Schedule A** – The Sellers, Purchased Shares and Payment Shares
- 1.5 *Accounting Terms.* Unless otherwise indicated, all accounting terms not otherwise defined have the meanings assigned to them, and all calculations are to be made and all financial data to be submitted are to be prepared, in accordance with IFRS.
- 1.6 *Arm’s Length.* For purposes of this Agreement, Persons are not dealing “at arm’s length” with one another if they would not be considered to be dealing at arm’s length with one another for purposes of the *Income Tax Act* (Canada) (the “**Tax Act**”), as amended.
- 1.7 *Statutory Instruments.* Unless otherwise specifically provided in this Agreement, any reference in this Agreement to any law, by law, rule, regulation, order, act or statute of any government, Governmental Authority or other regulatory body will be construed as a reference to those as amended or re-enacted from time to time or as a reference to any successor thereof.

2. Purchase and Sale

- 2.1 *Purchased Shares.* Upon and subject to the terms of this Agreement, the Sellers agree to sell, assign and transfer, free and clear of all Encumbrances, and SOW agrees to purchase, all of the Purchased Shares, as at the Closing Time on the Closing Date, in accordance with subsection 2.3.1 below.
- 2.2 *Purchase Price.* The aggregate purchase price (the “**Purchase Price**”) payable by SOW to the Sellers for the Purchased Shares shall be the issuance to the Sellers of an aggregate of 5,000,000 SOW Shares (the “**Payment Shares**”) as fully paid and non-assessable. When issued, all of the Payment Shares will be subject to a hold period of six months from the date of issuance.
- 2.3 *Acknowledgements and Agreements of the Sellers.* Each of the Sellers acknowledges and agrees as follows with respect to the sale of the Purchased Shares and the receipt of the Payment Shares by such Seller pursuant to this Agreement:
- 2.3.1 Effective as at the Closing Time (i) the Sellers shall be deemed to have sold, assigned and transferred the Purchased Shares to SOW, (ii) SOW shall be delivered one or more share certificates registered as directed by SOW representing the total number of CanadaCorp Purchased Shares, (iii) the Payment Shares shall be issued to the Sellers, allocated among the Sellers pursuant to

section 2.2 above, and evidenced by certificates delivered to the Sellers representing the Payment Shares and registered in accordance with the written instructions of the Sellers, to be provided no later than two (2) business days prior to the Closing Date, and (iv) any certificates representing the Purchased Shares held by the Sellers shall be cancelled and thereafter shall be of no further force or effect.

- 2.3.2 Such Seller has been independently advised as to the applicable hold periods imposed in respect of the Payment Shares by the securities legislation in the jurisdiction in which such Seller resides, and such Seller confirms that no representation has been made respecting the applicable hold periods for the Payment Shares and that such Seller is aware of the risks and other characteristics of the Payment Shares and of the fact that such Seller may not resell the Payment Shares except in accordance with applicable securities legislation and regulatory policy until expiry of the applicable hold periods and compliance with the other requirements of applicable law. Such Seller acknowledges that the certificates representing the Payment Shares will contain legends denoting the applicable resale restrictions, if any, and such Seller will not resell the Payment Shares except in accordance with the provisions of applicable securities legislation and Exchange rules.
- 2.3.3 Such Seller has been advised that no prospectus has been filed in connection with the issuance and granting of the Payment Shares and as the Payment Shares are being issued and granted to the Sellers pursuant to exemptions from the prospectus requirements of applicable securities laws:
- (a) most of the civil remedies applicable to the issuance and granting of securities by way of prospectus provided for in such laws are not available to such Seller;
 - (b) such Seller may not receive information that would be provided if no such exemptions were available; and
 - (c) SOW is relieved of certain obligations in respect of offerings by way of prospectus which would otherwise apply under applicable securities laws.
- 2.3.4 Such Seller will comply with any requirements imposed by the Exchange or securities legislation as a result of the shareholdings of such Seller in SOW exceeding certain thresholds, such requirements to include, without limitation, the filing of insider and early warning reports under applicable Canadian securities laws.

3. Representations and Warranties

- 3.1 *Representations and Warranties of CanadaCorp.* CanadaCorp represents, warrants and covenants to SOW as follows, and acknowledges that SOW is relying on these representations, warranties and covenants in entering into this Agreement and in completing the transactions contemplated hereby:

- 3.1.1 Organization and Good Standing – CanadaCorp is duly incorporated or organized and validly existing under the federal laws of Canada.
- 3.1.2 Bankruptcy – No bankruptcy, insolvency or receivership proceedings have been instituted or are pending against CanadaCorp, and CanadaCorp is able to satisfy its liabilities as they become due.
- 3.1.3 Due Authorization – CanadaCorp has all necessary power, authority and capacity to enter into this Agreement and to perform its obligations under this Agreement. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all necessary action on the part of CanadaCorp.
- 3.1.4 Authorized and Issued Capital – The authorized capital of CanadaCorp consists only of an unlimited number of Class A shares and Class B shares, of which at Closing Time only 10,000 CanadaCorp Shares (and no more or other classes of shares or other securities) will have been validly issued and outstanding, and as fully paid and non-assessable. The Sellers are the registered owners of all of the Purchased Shares and the Purchased Shares are held by them as set out in Schedule A.
- 3.1.5 No Options - No Person has any agreement or option or any right (whether by law, pre-emptive or contractual and including convertible securities, warrants or convertible obligations of any nature) for the purchase or the issue of either the Purchased Shares or any unissued shares in the capital stock of CanadaCorp.
- 3.1.6 Enforceability of Obligations – This Agreement constitutes a valid and binding obligation of CanadaCorp enforceable against CanadaCorp in accordance with its terms, provided that enforcement may be limited by bankruptcy, insolvency, liquidation, reorganization, reconstruction and other similar laws generally affecting enforceability of creditors’ rights and that equitable remedies such as specific performance and injunction are in the discretion of the court from which they are sought.
- 3.1.7 Assets - CanadaCorp is party to the Formulations Development Agreement. The execution and delivery of this Agreement and the performance by CanadaCorp and the Sellers, and their respective obligations hereunder, do not and will not result in or constitute a breach of any term or provision of, or constitute a default, under the Formulations Development Agreement or constitute an event which would permit Mile High Food Science, LLC to terminate the Formulations Development Agreement or to accelerate other obligations of CanadaCorp.
- 3.1.8 No Other Liabilities – There are no liabilities, contingent or otherwise, of CanadaCorp which are not disclosed to SOW. CanadaCorp has not guaranteed, or agreed to guarantee, any debt, liability or other obligation of any Person. There are no liabilities of any Person capable of creating an Encumbrance on any of CanadaCorp’s Assets.

- 3.1.9 Litigation (CanadaCorp) – There is no suit, action, litigation, arbitration proceeding or governmental proceeding, including appeals and applications for review, in progress, pending or to the knowledge of CanadaCorp, threatened against or relating to CanadaCorp. There is not presently outstanding against CanadaCorp any judgement, decree, injunction, rule or order of any court, Governmental Authority, commission, agency, instrumentality or arbitrator, which could, in the aggregate, be reasonably be expected to have a materially adverse effect with respect to CanadaCorp, taken as a whole.
- 3.2 *Representations and Warranties of the Sellers:* Each Seller severally (and not jointly or jointly and severally) makes the following representations and warranties to SOW and acknowledges that SOW is relying on such representations and warranties in entering into this Agreement and in completing the transactions contemplated under this Agreement:
- 3.2.1 The Purchased Shares – Such Seller is the legal and beneficial owner of the number of Purchased Shares shown as held by such Seller on Schedule A and on Closing SOW will acquire good and marketable title to such Purchased Shares free and clear of all Encumbrances.
- 3.2.2 No Options - No Person has any agreement or option or any right (whether by law, pre-emptive or contractual and including convertible securities, warrants or convertible obligations of any nature) for the purchase or the issue of the Purchased Shares.
- 3.2.3 Litigation (Shares) – There is no suit, action, litigation, arbitration proceeding or governmental proceeding, including appeals and applications for review, in progress, pending or threatened against such Seller relating to the Purchased Shares.
- 3.2.4 Enforceability of Obligations – When executed and delivered, this Agreement will constitute valid and legally binding obligations enforceable against such Seller in accordance with its terms subject, however, to limitations with respect to enforcement imposed by law in connection with bankruptcy or similar proceedings and to the extent that equitable remedies such as specific performance and injunction are in the discretion of the court from which they are sought.
- 3.2.5 Residence – Such Seller is resident in the jurisdiction set out opposite its name on Schedule A.
- 3.2.6 Corporate Seller – If the Seller is a corporation:
- (a) it is duly incorporated or organized and validly existing in its jurisdiction of incorporation and is in good standing with respect to the filing of annual reports; and
 - (b) it has all necessary power, authority and capacity to enter into this Agreement and to perform its obligations under this Agreement; and the

execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all necessary action on the part of such Seller.

3.3 *Representations and Warranties of SOW.* SOW hereby represents, warrants and covenants to CanadaCorp and the Sellers as follows and acknowledges that CanadaCorp and the Sellers are relying on these representations, warranties and covenants in entering into this Agreement and in completing the transactions contemplated under this Agreement:

3.3.1 Organization and Good Standing – SOW is duly incorporated or organized and validly existing under the laws of the Province of British Columbia, Canada.

3.3.2 Bankruptcy – No bankruptcy, insolvency or receivership proceedings have been instituted or are pending against SOW, and SOW is able to satisfy its liabilities as they become due.

3.3.3 Capacity to Carry on Business – SOW has all necessary corporate power, authority and capacity to own its Assets and to carry on its business as presently owned and carried on by it and SOW is duly licensed, registered and qualified as a corporation to do business and is in good standing in each jurisdiction in which the nature of its business makes such qualification necessary.

3.3.4 Due Authorization – SOW has all necessary power, authority and capacity to enter into this Agreement and to perform its obligations under this Agreement. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all necessary action on the part of SOW.

3.3.5 Authorized and Issued Capital – The authorized capital of SOW consists of an unlimited number of common shares, of which 207,851,106 SOW Shares have been validly issued and are outstanding as fully paid and non-assessable.

3.3.6 Absence of Conflicting Agreements – The execution and delivery of this Agreement and the performance by SOW and its obligations hereunder do not and will not:

- (a) result in the violation of any applicable laws;
- (b) result in or constitute a breach of any term or provision of, or constitute a default under, any constating documents of SOW or any agreement to which SOW is a party or its Assets are bound; or
- (c) constitute an event which would permit any party to any agreement with SOW to terminate such agreement or to accelerate the maturity of any indebtedness or other obligation of SOW.

- 3.3.7 Consents – There are no consents, authorizations, licenses, agreements, permits, approvals or orders of any Person or Governmental Authority required to permit SOW to complete the transactions contemplated by this Agreement other than those that have already been obtained by SOW and disclosed by SOW to CanadaCorp.
- 3.3.8 Rights and Privileges – There are no rights, privileges or advantages presently enjoyed by SOW which might be lost as a result of the consummation of the transactions contemplated under this Agreement.
- 3.3.9 Enforceability of Obligations – This Agreement constitutes a valid and binding obligation of SOW enforceable against SOW in accordance with its terms, provided that enforcement may be limited by bankruptcy, insolvency, liquidation, reorganization, reconstruction and other similar laws generally affecting enforceability of creditors’ rights and that equitable remedies such as specific performance and injunction are in the discretion of the court from which they are sought.
- 3.3.10 Books and Records – The books and records of SOW are fully and accurately maintained and its books of account provide for all excise, sales, business and property taxes and other rates, charges, assessments, levies, duties, taxes, contributions, fees, licenses and other governmental charges of whatsoever kind and nature that have become due and payable or, to the extent such amount is material, that may become due and payable before the Closing Time. The minute books of SOW are complete and accurate in all material respects and reflect all material actions taken and resolutions passed by the directors and shareholders, as the case may be, of SOW, since the date of incorporation or organization.
- 3.3.11 Financial Statements – The SOW Financial Statements are true and correct in every material respect and present fairly the Assets, liabilities and financial position of SOW as at December 31, 2018, and the results of its operations to that date, in accordance with IFRS applied on a basis consistent with that of previous periods.
- 3.3.12 The Payment Shares – On Closing the Payment Shares:
- (a) will be issued to the Sellers as fully paid and non-assessable SOW Shares;
 - (b) will be duly registered in the names of the Sellers in the books and registers of SOW; and
 - (c) will be conditionally approved for listing and posting for trading on the Exchange, subject only to satisfying any conditions stipulated by the Exchange for listing.
- 3.3.13 SOW Public Record – The SOW Public Record is, in all material respects, accurate and complete and omits no facts, the omission of which makes the SOW Public Record or any particulars therein, materially misleading or incorrect at the

time such statements were made. SOW has not filed any confidential material change reports which are, as of the date of this Agreement, maintained on a confidential basis. Except as disclosed in the SOW Public Record, there is no fact known to SOW which has, or so far as SOW which has, or so far as SOW can reasonably foresee, will have a material adverse effect, or which would otherwise be material to any person intending to make an investment in SOW.

3.4 Survival. The representations, warranties and covenants made by the parties in sections 3.1, 3.2, and 3.3 shall terminate (and be of no further force or effect) on the earlier of: (a) the termination of this Agreement in accordance with its terms; and (b) the Closing Time.

4. Covenants

4.1 *Covenants of CanadaCorp, and the Sellers.* Until the earlier of the Closing Time or the termination of this Agreement in accordance with its terms, each of the Sellers and CanadaCorp severally (and not jointly or jointly and severally) hereby covenants and agrees with SOW as follows:

4.1.1 *Necessary Consents.* The Sellers and CanadaCorp shall use commercially reasonable efforts to obtain all approvals or consents as are required to complete the transactions contemplated by this Agreement, including those of the directors and shareholders of CanadaCorp or any applicable Governmental Authority; and if applicable, of Mile High Food Science, LLC with respect to the Formulations Development Agreement.

4.1.2 *Satisfaction of Conditions Precedent.* Each of the Sellers and CanadaCorp shall use commercially reasonable efforts to satisfy or cause to be satisfied the conditions precedent in Section 5.3 which are within his, her or its control.

4.1.3 *All other Actions.* The Sellers and CanadaCorp shall cooperate fully with SOW, and will use all commercially reasonable efforts to assist SOW in its efforts to complete the transactions contemplated by this Agreement, unless such cooperation and efforts would subject the Sellers or CanadaCorp to any extraordinary cost or liability or would be in breach of any applicable statutory or regulatory requirements.

4.2 *Covenants of SOW.* SOW hereby covenants and agrees with the Sellers and CanadaCorp as follows:

4.2.1 *Necessary Consents.* SOW shall use commercially reasonable efforts to obtain all approvals or consents as are required to complete the transactions contemplated by this Agreement, including those of the directors and shareholders of SOW, the Exchange or any applicable Governmental Authority.

4.2.2 *Satisfaction of Conditions Precedent.* SOW shall use commercially reasonable efforts to satisfy or cause to be satisfied the conditions in section 5.1 which are within its control.

- 4.2.3 *All other Actions.* SOW shall cooperate fully with the Sellers and CanadaCorp and will use all commercially reasonable efforts to assist the Sellers and CanadaCorp in their efforts to complete the transactions contemplated by this Agreement, unless such cooperation and efforts would subject SOW to any extraordinary cost or liability or would be in breach of any applicable statutory or regulatory requirements.
- 4.2.4 *Material Changes.* SOW shall promptly advise CanadaCorp in writing of any event, change or development that has or is reasonably expected to have an adverse effect in respect of the SOW or the transactions contemplated hereunder.

5. Conditions Precedent

- 5.1 *Conditions Precedent for the Benefit of CanadaCorp and the Sellers.* The obligation of CanadaCorp and each of the Sellers to complete the transactions contemplated by this Agreement are subject to the satisfaction of, or compliance with, at or before the Closing Time, each of the following conditions precedent (each of which is hereby acknowledged to be inserted for the exclusive benefit of CanadaCorp and each of the Sellers and may be waived by him, her or it in whole or in part):
- 5.1.1 *Truth of Representations and Warranties* – The representations and warranties of SOW contained in this Agreement will be true and correct on and as of the Closing Date as though made at and as of the Closing Date.
- 5.1.2 *Covenants and Agreements* –SOW will have satisfied and complied with all covenants and agreements in this Agreement agreed to be performed or caused to be performed by SOW on or before the Closing Time.
- 5.1.3 *Consents* – All consents, approvals, orders and authorizations of or from Governmental Authorities or the Exchange required in connection with the completion of the transactions contemplated by this Agreement will have been obtained on or before the Closing Time on terms and conditions satisfactory to CanadaCorp, including the conditional approval of the listing of the Payment Shares.
- 5.1.4 *No Material Adverse Change* – No material adverse change (nor any condition, event or development involving a prospective material adverse change) shall have occurred in the Business, Assets, operations, capital or financial condition of SOW.
- 5.1.5 *Closing Documents* – SOW will have tendered the documents to be delivered by it at Closing in accordance with this Agreement.
- 5.1.6 *Shareholders Agreement* – The Sellers and SOW shall have entered into a shareholders' agreement with respect to their ownership of CanadaCorp and the management of its affairs.

- 5.2 *Non-satisfaction of Conditions.* If any of the conditions set forth in Section 5.1 are not fulfilled or waived to the reasonable satisfaction of CanadaCorp and each of the Sellers, CanadaCorp and each of the Sellers may, acting reasonably, terminate this Agreement by notice in writing to SOW. In such event, CanadaCorp and each of the Sellers will be released from all obligations under this Agreement and SOW will also be so released unless they were reasonably capable of causing such condition or conditions to be fulfilled or they have breached any of their representations, warranties, covenants or agreements in this Agreement.
- 5.3 *Conditions Precedent for the Benefit SOW.* The obligations of SOW to complete the transactions contemplated by this Agreement are subject to the satisfaction of, or compliance with, at or before the Closing Time, each of the following conditions precedent (each of which is hereby acknowledged to be inserted for the exclusive benefit of SOW and may be waived by it in whole or in part):
- 5.3.1 Truth of Representations and Warranties – The representations and warranties of each of CanadaCorp and the Sellers contained in this Agreement will be true and correct on and as of the Closing Date as though made at and as of the Closing Date.
- 5.3.2 Covenants and Agreements – Each of CanadaCorp and the Sellers will have complied with all covenants and agreements in this Agreement agreed to be performed or caused to be performed by it on or before the Closing Time.
- 5.3.3 Consents – All consents, approvals, orders and authorizations of or from Governmental Authorities or the Exchange required in connection with the completion of the transactions contemplated by this Agreement will have been obtained on or before the Closing Time on terms and conditions satisfactory to the Sellers, including the approval of Mile High Food Science, LLC in connection with the Formulations Development Agreement, if applicable.
- 5.3.4 No Material Adverse Change – No material adverse change (nor any condition, event or development involving a prospective material adverse change) shall have occurred in the Business, Assets, operations, capital or financial condition of SOW.
- 5.3.5 Closing Documents – CanadaCorp and each of the Sellers will have tendered the documents to be delivered by it at Closing in accordance with this Agreement, including without limitation, the tender of all of the Purchased Shares.
- 5.4 *Non-satisfaction of Conditions.* If any of the conditions set forth in Section 5.3 are not fulfilled or waived to the reasonable satisfaction of SOW, SOW may, acting reasonably, terminate this Agreement by notice in writing to CanadaCorp and the Sellers. In such event the SOW will be released from all obligations under this Agreement and CanadaCorp and each of the Sellers will also be so released unless it was reasonably capable of causing such condition or conditions to be fulfilled or it has breached any of its representations, warranties, covenants or agreements in this Agreement.

5.5 *Waivers.* Each of the parties on his, her or its behalf, may waive any condition for his, her or its benefit in this Agreement, in whole or in part, without prejudice to any right of rescission or any other right in the event of the non-fulfilment of any other condition or conditions. A waiver will only be binding if it is in writing.

6. Indemnification

6.1 *Indemnification by SOW.* SOW agrees to indemnify and save harmless CanadaCorp from and against any and all losses, debts, obligations, liabilities, expenses, costs and damages (including reasonable legal fees) (collectively, the “**Damages**”) suffered or incurred by CanadaCorp as a result of any breach of, or untruth of, any of the covenants, warranties or representations contained in section 3.3 and 4.2 of this Agreement.

6.2 *Indemnification by CanadaCorp and each of the Sellers.* CanadaCorp and each of the Sellers agree to indemnify and save harmless SOW from and against any and all Damages suffered or incurred by SOW as a result of any breach of, or untruth of, any of the covenants, warranties or representations contained in section 3.1, 3.2 or 4.1 of this Agreement.

7. Closing Arrangements

7.1 The closing of this transaction shall take place at the offices of SOW on the Closing Date.

7.2 On the Closing Date, CanadaCorp and each of the Sellers shall deliver, or cause to be delivered, to SOW such documents as may reasonably be required to perfect the transactions contemplated by this Agreement and SOW shall deliver, or cause to be delivered, to CanadaCorp and the Sellers such documents as may reasonably be required to perfect the transactions contemplated by this agreement.

8. Notices

8.1 *Delivery of Notice.* Any notice, direction or other instrument required or permitted to be given by any party under this Agreement will be in writing and will be sufficiently given if delivered personally or by courier, or transmitted by fax or email means during the transmission of which no indication of failure of receipt is communicated to the sender:

8.1.1 in the case of CanadaCorp and the Sellers:

69 Yonge street, #17069
Toronto, Ontario M5E 1K3

Attention: Chief Operating Officer

8.1.2 in the case of SOW:

Organic Flower Investments Group Inc.

Suite 810-789 West Pender Street
Vancouver, British Columbia V6C 1H2

Attention: Chief Financial Officer
Email: theo@pashleth.com

8.2 *Receipt of Notice.* Any such notice, direction or other instrument, if delivered personally, will be deemed to have been given and received on the date on which it was received at such address and, if sent by fax or email, will be deemed to have been given and received on the date of transmission in accordance with this Section.

9. Termination

9.1 *Grounds for Termination.* This Agreement may be terminated at any time before the Closing:

9.1.1 by the mutual agreement of SOW and CanadaCorp;

9.1.2 by either CanadaCorp or SOW if it is not in material breach of its obligations under this Agreement, and if there has been a breach by the other of any of its representations and warranties or covenants hereunder and in either case such breach has not been cured within ten days after written notice, specifying such breach, to such Party; or

9.1.3 by SOW or CanadaCorp if the Closing Date is not on or before June 30, 2019 or such later date as may be agreed in writing by SOW and CanadaCorp.

9.2 *Effect of Termination.* If this Agreement is terminated as provided in Section 9.1, it will, except as provided herein, forthwith become void, and, subject to Sections 3.4, 5.2 and 5.4 none of the parties or their respective officers, directors, employees, agents, or shareholders will have any liability or obligation with respect to the terminated provisions of the Agreement. Sections 3.4, 5.2, 5.4, 11.3 and 11.4 will survive termination of this Agreement and will continue to be in effect notwithstanding the termination of this Agreement.

10. Power of Attorney

10.1 Each of the Sellers hereby severally and irrevocably appoints CanadaCorp as their attorney to take any action that is required and hereby authorizes any director or officer of CanadaCorp, on behalf of CanadaCorp, to sign any documents on their behalf, including without limitation, for the purposes of all Closing matters and deliveries of documents and to do and cause to be done all such acts and things as may be necessary or desirable in connection with the transactions contemplated hereunder, including the sale, assignment and transfer of the Purchased Shares to SOW. Without limiting the generality of the foregoing, CanadaCorp may, on behalf of itself and the Sellers, extend the Time of Closing, modify or waive such conditions as are contemplated herein, negotiate, settle

and deliver the final forms of this Agreement and any other documents that are necessary or desirable to give effect to the transactions contemplated herein.

11. General Provisions

- 11.1 *Entire Agreement.* This Agreement, including all the Schedules hereto, together with the agreements and other documents to be delivered pursuant hereto, constitutes the entire agreement among the parties pertaining to the subject matter hereof and supersedes any and all prior agreements, understandings, negotiations and discussions, whether oral or written, of the parties and there are no warranties, representations or other agreements among the parties in connection with the subject matter hereof except as specifically set forth herein and therein.
- 11.2 *Costs and Expenses.* Each party shall be responsible for its' respective costs and expenses in connection with the transactions contemplated herein.
- 11.3 *Confidentiality.* Until the Closing Time, and in the event of the termination of this Agreement without consummation of the transactions contemplated by this Agreement, for a period of two years from the date of this Agreement, each party to this Agreement will keep confidential any information obtained from the other parties, provided that a party may disclose confidential information (i) to those of its representatives and professional advisors who have a need to know the information in connection with providing advice with respect to this Agreement and the transactions contemplated thereby if such representatives and advisors commit to protect such information in a manner consistent herewith or (ii) if such disclosure is required by law or the rules of the Exchange or over Governmental Authority or (iii) if such information has been made public other than as a result of a breach of this Section. If this Agreement is terminated without consummation of the transactions contemplated thereby, promptly after such termination all documents, work papers and other written material obtained from a party in connection with this Agreement and not theretofore made public (including all copies and photocopies thereof), shall be returned to the party that provided such material.
- 11.4 *Public Announcements.* Neither SOW nor CanadaCorp will, without the prior consent of the others, make any disclosure regarding the existence, purpose, scope, content, terms or conditions of this Agreement or other agreements relating to this Agreement except in order to comply with a legal obligation, the requirements of a competent Government Authority or the requirements of the Exchange; provided that, where practicable, a copy of any proposed announcement or statement will be furnished to the other parties in advance of the proposed date of publication. Nothing herein will prevent disclosure of the terms of this Agreement to a corporate party's directors, officers, employees or agents or its financial, legal, accounting or other advisors.
- 11.5 *Waiver.* The failure of a party in any one or more instances to insist upon strict performance of any of the terms of this Agreement or to exercise any right or privilege arising under it will not preclude it from requiring by reasonable notice that any other party duly perform its obligations or preclude it from exercising such a right or privilege

under reasonable circumstances, nor will waiver in any one instance of a breach be construed as an amendment of this Agreement or waiver of any later breach.


- 11.6 *Assignment.* None of the parties will assign, transfer, charge or otherwise encumber the benefit (or any part thereof) or the burden (or any part thereof) of this Agreement without the prior written consent of the other parties, such consent not to be unreasonably withheld.
- 11.7 *Further Assurances.* Each of the parties hereto will from time to time at the request of any of the other parties hereto and without further consideration, execute and deliver all such other additional assignments, transfers, instruments, notices, releases and other documents and will do all such other acts and things as may be necessary or desirable to assure more fully the consummation of the transactions contemplated hereby.
- 11.8 *Time.* Time will be of the essence of this Agreement.
- 11.9 *Amendment.* This Agreement may be amended or varied only by agreement in writing signed by each of the parties. Unless the context otherwise so requires, a reference to this Agreement includes a reference to this Agreement as amended or varied from time to time.
- 11.10 *Several.* Unless otherwise provided, each and every covenant, representation or warranty of the Sellers contained herein is several (and not joint or joint and several).
- 11.11 *Severability.* If any provision of this Agreement is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability will attach only to such provision or part thereof and the remaining part of such provision and all other provisions hereof will continue in full force and effect.
- 11.12 *Governing Law.* This Agreement will be governed by and interpreted in accordance with the laws from time to time in force in the Province of Ontario and each of the parties hereby attorns to the non-exclusive jurisdiction of the courts of the Province of Ontario, sitting in Toronto.
- 11.13 *Benefit of Agreement.* This Agreement will enure to the benefit of and be binding upon each of the parties hereto who is a corporation and their respective successors and permitted assigns and upon each of the parties hereto who is an individual and their respective executors, personal representatives, heirs, successors and permitted assigns.
- 11.14 *Counterparts.* This Agreement may be executed in as many counterparts as are necessary. It will be binding on each party when each party hereto has signed and delivered one such counterpart. Delivery may be made by facsimile or other electronic transmission. When a counterpart of this Agreement has been executed by each party, all counterparts together will constitute one agreement.

12. Section 85 Election

- 12.1 It is intended that the transfer hereunder of the Purchased Shares be on a tax deferred basis to the Sellers for purposes of the Tax Act and applicable provincial income tax statutes. In order to give effect to this intention, the Sellers and SOW shall, in a timely manner, jointly execute and file elections under Section 85 of the Tax Act in prescribed form and elections in prescribed form under the corresponding provisions of applicable provincial income tax statutes in respect of the transfer hereunder of the Purchased Shares. The elected amounts (the “**Elected Amounts**”) for purposes of each such election will be determined by the Sellers in a manner consistent with the above-described intention.
- 12.2 If the Sellers and SOW subsequently mutually determine, or if the Canada Revenue Agency or any other taxing authority issues, or proposes to issue, assessments or reassessments of additional liability for taxes or in respect of any other matter by reason of asserting that an elected amount is more or less than the Elected Amounts for the Purchased Shares as determined by the Sellers, then the Elected Amounts shall be increased or decreased as necessary but only to the extent that the Elected Amounts so revised is acceptable to the parties hereto, as the case may be, or is established by a court of competent jurisdiction (after all appeal rights have been exhausted or all time periods for appeal have expired without appeals having been taken) to be the Elected Amounts, as the case may be.
- 12.3 If an Elected Amount is varied in the circumstances described in Section 12.2 above, the Sellers and SOW shall file a revised election(s) under the provisions of subsection 85(1) of the Tax Act and the corresponding provisions of all applicable provincial income tax statutes to give effect to the variation.


THE PARTIES, intending to be contractually bound, have executed this Agreement as of the date and year first above written.

11406426 CANADA CORP.

By: 

(Authorized Signatory)

**ORGANIC FLOWER INVESTMENTS GROUP
INC.**

By: 

(Authorized Signatory)

SELLERS:

NONPAREIL INITIATIVES INC.

By: 

(Authorized Signatory)

SIGNED, SEALED & DELIVERED

In the presence of:



Witness



Joe Nguyen

SCHEDULE A

THE SELLERS, PURCHASED SHARES AND PAYMENT SHARES

Shareholder	Shareholder Address	Number of Purchased Shares Held	Number of Payment Shares to be Received on Closing
[REDACTED]	[REDACTED]	6,000	3,000,000
[REDACTED]	[REDACTED]	4,000	2,000,000
	TOTAL	10,000	5,000,000

FORMULATIONS DEVELOPMENT AGREEMENT

This Formulations Development Agreement ("Agreement") is made May 28, 2019 ("**Signing Date**"), by and between Mile High Food Science, LLC., incorporated pursuant to the laws of the State of Colorado, USA, with its principal place of business at 12445 E. 39th Ave Denver, CO, 80239 ("Supplier") and 11406426 Canada Corp. a corporation incorporated pursuant to the laws of Ontario, Canada, with its principal place of business at 47 Colborne Street, Unit #402 Toronto, ON, Canada, M5H 1P8 ("Company").

RECITALS

WHEREAS, Supplier is engaged in the business of ingredient sourcing; equipment sourcing and recommendations; manufacturing; production consultations; selling proprietary formulations, for both marijuana and non-infused ingredients/products (the "Services");

WHEREAS, Company shall own, controls or possesses certain recipes, formulae and/or specifications for cannabis related products from the Supplier as well as the right to use certain names, design, slogans, and logos as trademarks ("the Trademarks") in conjunction therewith; and

WHEREAS, Company, for itself or through a subsidiary, desires to manufacture, package, sell, and distribute marijuana products, and desires to purchase and use the Services in connection with that business.

NOW, THEREFORE, in consideration of the promises and covenants set forth herein, the adequacy and sufficiency of which are hereby acknowledged, the parties, in good faith, agree as follows:

1. **Licence Grant**

Company hereby grants, and Supplier hereby accepts, the right and license to formulate and package cannabis related products in Schedule A (the "Product(s)"), for which Company owns, controls or possesses all recipes, formulae, and specifications. All such Products shall be prepared by the Supplier in accordance with the terms, conditions and processes as set forth on Schedule B.

2. **Term**

This Agreement shall become effective and binding upon the parties on the date set forth above and shall remain in effect for a period of twenty-four (24) months from such date, unless earlier terminated as provided herein ("the Initial Term"). Either party shall be entitled, not less than six (6) months prior to the expiration of the Initial Term, to give notice to the other of the termination of this Agreement upon the expiration of the Initial Term. In the absence of such written notice from either party to the other terminating this Agreement on the expiration of the Initial Term, this Agreement shall continue in successive periods of one (1) year thereafter subject to the right to either party to terminate this Agreement at any time, without cause, upon the giving to the other of not less than six

(6) month's notice of such termination prior to date of expiration, and, in such event, this Agreement shall be terminated on the date specified in such notice.

3. **Duties of the Company**

- (a) **Proprietary Information.** Company shall provide Supplier with objectives for recipes, formulae and specifications for the Products as well as the Product flavour profiles, and instructions and such other information and materials as are required under the terms of this Agreement or as may be reasonable and necessary for Supplier to carry out the terms of this Agreement (the "**Proprietary Information**"). Company shall own and maintain ownership of the Proprietary Information, the ingredients and the Product throughout the stages of production of the Product once the final payment is received. The Supplier shall take all commercially reasonable efforts to ensure that the Company's Proprietary Information is stored in a safe manner and at all times secured.
- (b) The Company will, at all times, provide ingredients for inclusion in the Products which comply with the requirements of Schedule B;

4. **Duties of Supplier**

- (a) **Services.** Supplier shall perform all the Services mentioned above according to Company's instructions/specifications. The Company shall be in control and supervise the production of the Products that is being produced for sale under this Agreement.
- (b) **Performance.** Supplier shall immediately inform the Company in writing of any situation that could have a negative effect on Supplier's ability regarding the performance of the Services.
- (c) **Delivery and Timing.** Supplier shall provide the Services in accordance with any timetable agreed between the parties or, in the absence of any other specification and where the Services are provided on the Company premises, the normal working hours of the Company. Within such limitations, Supplier is free to organize the provision of Services and to set its own work schedule. The timetable may be affected by outside influences outside the realm of control of the Supplier.

5. **Mutual Indemnification**

- a) In the event the Company or Supplier fails to provide any or all the Services(a) in accordance with the Company's specifications or the standards referred to in this Agreement; and/or (b) within the agreed timetable, then the Company shall be entitled to the remedies available under applicable law.
- b) Supplier shall indemnify, defend and hold the Company harmless against all claims and liabilities incurred by or awarded against the Company arising out of or in connection with the provision of or failure to provide the Services, including

without limitation the costs and delays caused to the Company of having the Services re-performed by Supplier or another party.

c) Company shall indemnify, defend and hold the Supplier harmless against all claims and liabilities incurred by or awarded against the Supplier arising out of or in connection with the provision of or failure to provide the Services, including without limitation the costs and delays caused to the Company of having the Services re-performed by Supplier or another party.

d) Supplier shall not be liable for indirect or consequential losses. However, this limitation of Supplier's liability shall not apply and Supplier shall fully indemnify, defend and hold the Company harmless against all losses, damages, liabilities and expenses (a) where Supplier has been guilty of wilful misconduct or gross negligence; (b) in connection with employment, tax, social security and related claims and liabilities towards Supplier's personnel and subcontractors that may be claimed against the Company; and (c) in the circumstances set out in Schedule C.

e) Company shall not be liable for indirect or consequential losses. However, this limitation of Company's liability shall not apply and Company shall fully indemnify, defend and hold the Supplier harmless against all losses, damages, liabilities and expenses (a) where Company has been guilty of wilful misconduct or gross negligence; (b) in connection with employment, tax, social security and related claims and liabilities towards Company's personnel and subcontractors that may be claimed against the Supplier; and (c) in the circumstances set out in Schedule C.

f) Supplier shall maintain adequate professional indemnity and third-party civil liability insurance covering its obligations under this Article 7, as further set out in Appendix 1. Upon reasonable notice from the Company, Supplier shall provide evidence of such insurance.

g) Company shall maintain adequate professional indemnity and third-party civil liability insurance covering its obligations under this Article 7, as further set out in Appendix 1. Upon reasonable notice from the Supplier, Company shall provide evidence of such insurance.

6. **Price**

(a) **Price.** Company shall pay Supplier for Products produced and Services provided on its behalf an amount (the "**Price**") equal to the sum of (i) base formula fee (the "**Base**

Charge") and ii) additional variations (the "Additional Variations"), as set forth under attached Schedule B. The Price shall be payable on performance of the Services to the Company reasonable satisfaction in accordance with any timetable and additional requirements set out in Schedule B.

- (b) **Payment.** Company shall make payment to the Supplier according to Schedule B. The Price shall include all taxes, assessments, impositions, tariffs, import duties and similar charges imposed by any taxing or other governmental authority on Supplier related to this Agreement, except that any sales tax imposed on the Company by applicable law and collectible by Supplier may be invoiced to the Company in addition to the Price. If the Company agrees in writing to reimburse the cost of any travel, this shall be in accordance with the Company travel policy for its own employees as may be in force from time to time.

7. **Intellectual Property Rights and Exclusivity Provisions**

- (a) Information, plans, documents and other items provided to Supplier by or on behalf of the Company shall remain the property of the Company and shall be used only in accordance with any instructions or restrictions given in relation thereto by the Company. Supplier shall return all such items to the Company, together with all copies, upon the expiration or termination of this Agreement or at any other time on the request of the Company.
- (b) If Supplier is required to work on any Deliverables (as defined in Schedule C) then the provisions of Schedule C shall apply.

8. **Representations and Warranties**

- (a) **Supplier's Representations and Warranties.** Supplier represents and warrants to Company as follows, acknowledging that Company is relying on these representations and warranties:
- (i) all Products will be formulated, manufactured and packaged in accordance with Company's specifications within reason.
 - (ii) use a high degree of professional care and skill in performing the Services;
 - (iii) comply with the reasonable directions of the Company in performing the Services;
 - (iv) ensure that all personnel providing or contributing to the performance of the Services shall be appropriately qualified to render the Services and comply with the terms of this Agreement;

- (v) comply with all rules, regulations and security and office procedures of the Company notified to Supplier from time to time in relation to any premises of the Company;
 - (vi) comply with all relevant applicable laws, statutes and regulations;
 - (vii) keep the Company fully and regularly informed of progress on the Services, and fully answer any questions raised by the Company, during the performance of and for a reasonable period after the expiration or termination of this Agreement;
 - (viii) Supplier will follow good manufacturing practices in the production of the Products and all Products shall be of a good and merchantable quality and fit for the purpose for which they are intended to be used;
 - (ix) The formulation, manufacturing and packaging by Supplier of the Products, pursuant to the terms and conditions of this Agreement, are in accordance with all applicable domestic laws and regulations dealing with the production, storage, distribution and sale of Products containing cannabis;
 - (x) Supplier currently has, and shall maintain during the term of this Agreement, all licenses, permits, registrations and certificates of approval as are necessary to formulate, manufacture and package the Products.
- (b) **Company's Representations and Warranties.** Company represents and warrants to Supplier as follows, acknowledging that Supplier is relying on this representation and warranty:
- (i) Company currently has, and shall maintain during the term of this Agreement, all licenses, permits, registrations and certificates of approval as are necessary to package and sell the Products.

9. **Relationship of the Parties**

The parties shall be deemed independent contractors. Nothing herein contained shall be construed to create any partnership, joint venture, agency or employment relationship between the parties. Neither party shall have the power or right to bind the other party to any third party, and each party shall be responsible exclusively for its own taxes and expenses related to doing business.

10. **Duration and Termination**

- (a) This Agreement becomes valid on the effective date set out in Schedule B and shall continue in effect until the expiration date set out in Schedule B. Thereafter, this Agreement shall be automatically prolonged for successive periods in accordance with the provisions of Schedule B. The following articles shall remain valid even after the expiration or termination of this Agreement: Schedule B and Schedule C.

- (b) This Agreement may be terminated on thirty (30) days written notice by either party for any reason whatsoever.
- (c) If either party commits a material breach, the non-breaching party may terminate this Agreement effective on ninety (90) days' notice to the party in breach, unless the breach is cured before the end of that period.
- (d) This Agreement will automatically terminate without Notice upon the occurrence of any of the following events relating either Supplier or the Company and its successor or permitted assign:
 - (i) an assignment in bankruptcy is filed,
 - (ii) an adjudication of bankruptcy is made,
 - (iii) a petition in bankruptcy is filed,
 - (iv) insolvency occurs,
 - (v) an assignment for the benefit of creditors is made,
 - (vi) an arrangement under any bankruptcy law is made,
 - (vii) discontinuance of either party's business occurs, or
 - (viii) a receiver is appointed of all or substantially all of the either party's business or assets.
- (e) Upon the effective date of the termination or expiration of this Agreement,
 - (i) Supplier shall:
 - (A) immediately cease to use the Trademarks, and any other property belonging to, or received from Company that is in Supplier's control,
 - (B) return to the Company, or at the Company's request, destroy all copies of all information relating to the Trademarks, and any other property belonging to, or received from, the Company that is in the Supplier's control,
 - (ii) Company shall pay all amounts earned, due and/or owing to Supplier for and/or relating to Product produced pursuant to this Agreement.

11. **Confidentiality**

- (a) **Non-Disclosure.** The Parties agree that, except as they shall otherwise mutually determine from time to time, the terms of this Agreement and any notices given hereunder or other communications with respect to the substance of the relationship

between them shall be maintained in confidence; provided that each Party shall be permitted to make such disclosures of confidential information to such courts and other public or governmental agencies as their counsel shall deem necessary to maintain compliance with and to prevent violation of applicable federal or provincial laws. In the event of any breach of this provision by either party, the injured party may obtain an injunction against the other party's disclosure of the data and shall be entitled to any damage or loss occasioned by such disclosure. This application of confidentiality and non-disclosure shall not apply to information which (a) is in the public domain at the time of the receipt from the other party, or which comes into the public domain without breach of an obligation hereunder; (b) is known and can be shown to be known by one party at the time of receipt from the other party; or (c) becomes known to one party through a third source whose acquisition was independent of the other party and not in breach of any obligation hereunder.

- (b) **Proprietary Information.** All Proprietary Information, material, information, data or records (the "Materials") provided by one party to the other shall be the sole and exclusive property of the party providing such Materials. The parties agree that any information that may be received from the other party, including but not limited to, Proprietary Information, customer lists, product recipes, formulae, specifications and pricing information, promotional or marketing materials, or the like in connection with the Products or this Agreement or the rights and obligations provided for hereunder (the "Confidential Information"), shall not be disclosed by such party to any other person and is only to be used in the performance of the obligations under this Agreement and for no other reason. Each party shall return the original and all copies of the Materials and Confidential Information received from the other party promptly following the termination of this Agreement.

12. General Provisions

- (a) **Entire Agreement.** This Agreement and the exhibits referred to herein and to be delivered pursuant hereto, constitute the entire agreement between the parties pertaining to the subject matter hereof, and supersede all prior agreements, understandings, negotiations and discussions of the parties, whether oral or written, and there are no warranties, representations or other agreements between the parties in connection with the subject matter hereof, except as specifically set forth herein.
- (b) **Severability.** If any term or provision of this Agreement shall, to any extent, be determined to be invalid or unenforceable, the remainder of this Agreement shall not be affected thereby, and each remaining term and provision of this Agreement shall be valid and enforceable to the greatest extent permitted by law.
- (c) **Governing law.** The laws of the State of Colorado and the laws of Canada applicable in that province, excluding any rule or principle of conflicts of law that may provide otherwise, govern this agreement.

- (d) **Submission to Jurisdiction.** The parties irrevocably attorn to the jurisdiction of the courts of Colorado, which will have non-exclusive jurisdiction over any matter arising out of this agreement.
- (e) **Privacy of Personal Information.** To the extent that either party receives or has access to any personal information about an identifiable individual in the care or control of the other party, it shall treat such information in compliance with the *Personal Information Protection and Electronic Documents Act* (Canada).
- (f) **Assignment.** Either party may assign this Agreement, subject to all of the terms and provisions hereof and to the prior written consent of the non-assigning party, which may be withheld by the Company in its sole discretion but may not be unreasonably withheld by the Supplier. All provisions of this Agreement shall be binding upon the respective employees, delegates, successors, heirs and permitted assignees of the parties.
- (g) **Notices.** Unless otherwise specifically provided herein, all communications or notices required or permitted by this Agreement shall be in writing and shall be deemed to have been given at the earlier of the date when actually delivered to an officer of the other or three days after deposit by registered mail, postage prepaid, return receipt requested, and addressed as follows, unless and until either party notifies the other of a change of address:
 - (i) If to Supplier:
12445 E. 39th Ave Denver, CO 80239
 - (ii) If to Company:
47 Colborne Street, Unit #402 Toronto, ON, Canada, M5H 1P8
- (h) **Waiver and Modifications.** Unless otherwise specifically provided herein, no waiver or modification of any of the terms of this Agreement shall be valid unless in writing and signed by both parties. No waiver by either party of a breach hereof or default hereunder shall be deemed a waiver by such party of a prior or subsequent breach or default of like or similar nature.
- (i) **Disparagement.** Each Party agrees not to make and to take all commercially reasonable steps to prevent any of its personnel from making, disparaging or otherwise adverse remarks about the products of the other Party.
- (j) **Force Majeure.** In the event that either party is prevented or delayed from performing its obligations under the terms of this Agreement by virtue of one or more events or contingencies beyond its reasonable control, whether or not presently

occurring or contemplated by either party, including but not limited to, fires, labour strikes, labour disputes, accidents, sabotage, federal, provincial or municipal legislation or any regulations or orders thereunder, judicial action, acts of God, war, or civil commotion, such nonperformance shall be excused and shall not constitute a default under the terms of this Agreement, provided, however, that in the event that such nonperformance continues for a period in excess of three (3) consecutive months, either party shall have the option thereunder to terminate this Agreement immediately upon written notice to that effect.

- (k) **Further Instruments.** The parties shall execute and deliver any and all other instruments and shall take any and all other actions as may be reasonably necessary to carry out the intent of the Agreement into full force and effect.
- (l) **Construction of Terms.** The parties have each participated in settling the terms of this Agreement. Any rule of legal interpretation to the effect that any ambiguity is to be resolved against the drafting party will not apply in interpreting this agreement.
- (m) **Effective Date.** This Agreement is effective as of the date shown at the top of the first page, even if any signatures are made after that date.
- (n) **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This agreement has been executed by the parties.

MILE HIGH FOOD SCIENCE, LLC.

Per: _____

Name: *Barbara Smith*

Title: *owner*

I have authority to bind the Corporation

11406426 CANADA CORP.

Per: _____

Name: Joe Nguyen

Title: Partner

I have authority to bind the Corporation

SCHEDULE A

THE PRODUCTS

Gummies
Chews
Hard Candy
Teas
Coffees
Protein drinks
Chocolate milk
Pet foods
Skincare lotions
Bath bombs
Ice cream
Non-alcoholic beer
Cookie
Brownie
Taffy
Stroop Waffles
Skittle Type Candy

(17 products with 4 variables at this time)

SCHEDULE B

<p>Supplier's area of expertise:</p>	<p>Ingredient sourcing; equipment sourcing and recommendations; manufacturing; production consultations; selling proprietary formulations; product testing recommendations; for both marijuana and non-infused ingredients/products</p>
<p>Services to be provided:</p>	<p>Ingredient sourcing; equipment sourcing and recommendations; manufacturing; production consultations (including on-site to ensure product quality); selling proprietary formulations; product testing recommendations; for both marijuana and non-infused ingredients/products</p>
<p>Deliverables to be provided:</p>	<p>Gummies Chews Hard Candy Teas Coffees Protein drinks Chocolate milk Pet foods Skincare lotions Bath bombs Ice cream Non-alcoholic beer Cookie Brownie Taffy Stroop Waffles Skittle Type Candy</p> <p><i>(17 products with 4 variables at this time)</i></p>
<p>Supplier Key Staff:</p>	<p><i>Brandon Shepherd</i></p> <p><i>Barbara Shepherd</i></p>

Facilities required to be provided by the Company:	<i>MHFS and the Company</i>
Effective Date of Agreement:	<i>Signing Date of this Agreement</i>
Expiration of Agreement:	<i>24 months from Signing Date</i>
Extension periods:	<i>Successive periods of one (1) year each unless either party gives the other notice of termination not less than six (6) months before the date of expiration</i>
Supplier's Fees:	<p><i>\$9,000 per base formula and \$4,500 for each addition variable, plus ingredients, shipping, travel & expense to the Company.</i></p> <p><i>Total payment is \$422,500 based on the below calculation:</i></p> <p><i>17 base formulas x \$9,000 = \$153,000</i></p> <p><i>PLUS</i></p> <p><i>3 variations in addition to each base formula x 17 base formulas x \$4,500 = \$229,500</i></p> <p><i>PLUS</i></p> <p><i>Travel, Accommodations and related expenses \$40,000</i></p>

Supplier may invoice the Fees:	<i>Supplier may present invoice(s) once a month for a period of 24 months and Successive periods of one (1) year each unless either party gives the other notice of termination not less than six (6) months before the date of expiration</i>
Payment terms:	<p><i>Payment 1 – \$140,833 (33%) of the total payment of \$90,000) will be paid upon signing the Agreement.</i></p> <p><i>Payment 2 – \$140,833 (33%) upon completion of formulations</i></p> <p><i>Payment 3 – \$140,833 (33%) upon successful dosage testing by 3rd party certified and accredited lab</i></p> <p><i>Fees will be paid in US dollars, 7 days from receipt of invoice.</i></p>

Schedule C: INTELLECTUAL PROPERTY RIGHTS AND EXCLUSIVITY

To the extent that Supplier:

- (i) is required as part of the Services to develop for and/or present to the Company or Purchasing Entity any specifications, drawings, schematics, layouts, plans, architectures, mathematical models, data, formulae, methods, guidelines, practices, tests, tools, software or any written or other deliverables (“Deliverables”),

then the following shall apply:

1. Supplier agrees that all Deliverables shall be the sole and exclusive property of the Company and all rights therein are hereby assigned to the Company. Such Deliverables shall not be disclosed by Supplier to anyone but the Company or used by Supplier other than for the purpose of the Services.
2. All information that was the property of Supplier prior to the commencement of the Services shall remain the property of Supplier and, except as set out herein, the Company shall have no rights over such information.
3. If any portion of any Deliverable is contributed or performed by a party other than Supplier, then Supplier shall ensure that the Company’s rights to the Deliverables are not prejudiced thereby. In particular, but without limitation, Supplier represents that it has, or will have prior to commencement of the Services, valid and sufficient agreements with its employees

such that Supplier is entitled to dispose of rights in the Deliverables as provided for under this Agreement.

4. Upon the Company's request, Supplier shall execute any document and provide such other assistance as the Company believes necessary to protect the Company's full right, title and interest worldwide in any Deliverable. Supplier shall, at its own expense, ensure that any person to whom it is permitted to assign or subcontract its obligations as provided below shall also comply with the terms of this Appendix.

5. IP will revert back to MHFS without Notice upon the occurrence of any of the following events relating to the Company and its successor or permitted assign:
 - i. an assignment in bankruptcy is filed,
 - ii. an adjudication of bankruptcy is made,
 - iii. a petition in bankruptcy is filed,
 - iv. insolvency occurs,
 - v. an assignment for the benefit of creditors is made,
 - vi. an arrangement under any bankruptcy law is made,
 - vii. discontinuance of either party's business occurs, or
 - viii. a receiver is appointed of all or substantially all of the either party's business or assets.

SHARE EXCHANGE AGREEMENT

THIS SHARE EXCHANGE AGREEMENT is made as of the 28th day of May, 2019 and is

AMONG

THE PERSONS IDENTIFIED ON SCHEDULE A TO THIS AGREEMENT AS THE SELLERS,

(together, the “**Sellers**”)

AND

1153705 CANADA CORP O/A CANADA CANNABIS THERAPEUTICS COMPANY., a corporation incorporated under the federal laws of Canada

(“**CanadaCorp.**”)

AND

ORGANIC FLOWER INVESTMENTS GROUP INC., a corporation incorporated under the laws of the Province of British Columbia

(“**SOW**”)

RECITALS:

- A. The Sellers are the registered and beneficial owners of an aggregate of 10,000 Class A shares, representing 100% of the issued and outstanding shares of CanadaCorp (the “**Subject Shares**”).
- B. SOW is a reporting issuer in the provinces of British Columbia, Alberta and Ontario with its common shares listed for trading on the Canadian Securities Exchange.
- C. The Sellers wish to sell to SOW, and SOW wishes to purchase from the Sellers, 80% of the Subject Shares (the “**Purchased Shares**”) on the terms and conditions set forth in this Agreement.
- D. CanadaCorp is party to the Formulations Development Agreement dated May 28, 2019 (the “**Formulations Development Agreement**”) for the provision of services by Mile High Food Science, LLC to CanadaCorp relating to the equipment sourcing, ingredient sourcing, manufacturing, production, advisory and the sale of proprietary formulations for Nicorette-inspired therapeutic marijuana and non-infused products.

IN CONSIDERATION of the premises and mutual covenants hereinafter contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the parties hereto, the parties agree with one another as follows:

1. Definitions and Interpretation

1.1 *Definitions.* Whenever used in this Agreement, the following words and terms will have the respective meanings ascribed to them below:

1.1.1 “**Agreement**” means this Share Exchange Agreement, all of the Schedules to this Share Exchange Agreement and all instruments supplemental to or in amendment or confirmation of this Share Exchange Agreement.

1.1.2 “**Assets**” means the undertaking, property and assets of CanadaCorp or SOW, as the case may be, as a going concern of every kind and description, wheresoever situated.

1.1.3 “**Business**” means in the case of SOW, as applicable, its current business as presently conducted, as disclosed in the SOW Public Record.

1.1.4 “**CanadaCorp Shares**” means the Class A shares in the capital of CanadaCorp as they are presently constituted.

1.1.5 “**Closing**” means the completion of the purchase and sale of the Purchased Shares pursuant to this Agreement.

1.1.6 “**Closing Date**” means the date on which the purchase and sale of all of the issued and outstanding Purchased Shares is completed, which shall be the date mutually agreed by CanadaCorp and SOW.

1.1.7 “**Closing Time**” means 10:00 a.m. (Toronto time) on the Closing Date or such other time on such date as the parties may agree as the time at which the Closing will take place.

1.1.8 “**Damages**” has the meaning given in Section 6.1.

1.1.9 “**Encumbrance**” means any lien, pledge, hypothecation, charge, mortgage, security interest, encumbrance, claim, infringement, interference, option, right of first refusal, pre-emptive right, community property interest or restriction of any nature (including any restriction on the voting of any security, any restriction on the transfer of any security or other asset, any restriction on the receipt of any income derived from any asset, any restriction on the use of any asset and any restriction on the possession, exercise or transfer of any other attribute of ownership of any asset).

1.1.10 “**Exchange**” means the Canadian Securities Exchange.

1.1.11 “**Governmental Authority**” means any federal, provincial, state, municipal, county or regional government or governmental authority, domestic or foreign and includes any department, commission, board, administrative agency or regulatory body thereof.

- 1.1.12 “**IFRS**” means International Financial Reporting Standards.
- 1.1.13 “**Intellectual Property Rights**” means all patents and inventions, trademarks, trade names and styles, logos and designs, service marks, trade dress, industrial designs, internet domain names, world wide websites, website names, electronic mail addresses, copyrights, trade secrets, technical information, engineering procedures, designs, know-how and processes (whether confidential or otherwise), software, other industrial property (including applications for any of these) and other similar rights and properties.
- 1.1.14 “**Payment Shares**” has the meaning given in Section 2.2.
- 1.1.15 “**Person**” includes an individual, corporation, partnership, joint venture, trust, unincorporated organization, the Crown or any agency or instrumentality thereof or any other juridical entity.
- 1.1.16 “**Purchase Price**” has the meaning given in Section 2.2.
- 1.1.17 “**Purchased Shares**” has the meaning given in the recitals above.
- 1.1.18 “**SEDAR**” means the System for Electronic Document Analysis and Retrieval.
- 1.1.19 “**SOW Financial Statements**” means the audited consolidated financial statements of SOW for the fiscal years ended June 30, 2018 and June 30, 2017, and the unaudited consolidated financial statements of SOW for the period ended December 31, 2018, copies of which have been filed by SOW on SEDAR.
- 1.1.20 “**SOW Public Record**” means all publicly available press releases, material change reports, annual information forms, information circulars, financial statements and other documents that have been disclosed by SOW to the public and filed with any applicable Canadian or other securities regulatory authority or otherwise posted on SEDAR.
- 1.1.21 “**SOW Shares**” means the common shares in the capital of SOW as they are presently constituted.
- 1.1.22 “**Subsidiary**” means, with respect to a specified body corporate, any body corporate of which more than 50% of the outstanding shares ordinarily entitled to elect a majority of the board of directors thereof (whether or not shares of any other class or classes will or might be entitled to vote upon the happening of any event or contingency) are at the time owned directly or indirectly by such specified body corporate and will include any body corporate, partnership, joint venture or other entity over which it exercises direction or control.
- 1.1.23 “**Taxes**” means all levies and assessments imposed by any Governmental Authority, including but not limited to all income, sales, use, ad valorem, value added, franchise, withholding, payroll, employment, excise or property taxes, together with any applicable interest or penalty.

- 1.2 *Gender and Number.* In this Agreement, words importing the singular include the plural and vice versa and words importing gender include all genders.
- 1.3 *Article and Section Headings.* Article and Section headings contained in this Agreement are included solely for convenience, are not intended to be full or accurate descriptions of the content of any Article or Section and will not be considered to be part of this Agreement.
- 1.4 *Schedules.* The following Schedules are an integral part of this Agreement:
- Schedule A – The Sellers, Purchased Shares and Payment Shares**
- 1.5 *Accounting Terms.* Unless otherwise indicated, all accounting terms not otherwise defined have the meanings assigned to them, and all calculations are to be made and all financial data to be submitted are to be prepared, in accordance with IFRS.
- 1.6 *Arm’s Length.* For purposes of this Agreement, Persons are not dealing “at arm’s length” with one another if they would not be considered to be dealing at arm’s length with one another for purposes of the *Income Tax Act* (Canada) (the “**Tax Act**”), as amended.
- 1.7 *Statutory Instruments.* Unless otherwise specifically provided in this Agreement, any reference in this Agreement to any law, by law, rule, regulation, order, act or statute of any government, Governmental Authority or other regulatory body will be construed as a reference to those as amended or re-enacted from time to time or as a reference to any successor thereof.

2. Purchase and Sale

- 2.1 *Purchased Shares.* Upon and subject to the terms of this Agreement, the Sellers agree to sell, assign and transfer, free and clear of all Encumbrances, and SOW agrees to purchase, all of the Purchased Shares, as at the Closing Time on the Closing Date, in accordance with subsection 2.3.1 below.
- 2.2 *Purchase Price.* The aggregate purchase price (the “**Purchase Price**”) payable by SOW to the Sellers for the Purchased Shares shall be the issuance to the Sellers of an aggregate of 5,000,000 SOW Shares (the “**Payment Shares**”) as fully paid and non-assessable. When issued, all of the Payment Shares will be subject to a hold period of six months from the date of issuance.
- 2.3 *Acknowledgements and Agreements of the Sellers.* Each of the Sellers acknowledges and agrees as follows with respect to the sale of the Purchased Shares and the receipt of the Payment Shares by such Seller pursuant to this Agreement:
- 2.3.1 Effective as at the Closing Time (i) the Sellers shall be deemed to have sold, assigned and transferred the Purchased Shares to SOW, (ii) SOW shall be delivered one or more share certificates registered as directed by SOW representing the total number of CanadaCorp Purchased Shares, (iii) the Payment Shares shall be issued to the Sellers, allocated among the Sellers pursuant to

section 2.2 above, and evidenced by certificates delivered to the Sellers representing the Payment Shares and registered in accordance with the written instructions of the Sellers, to be provided no later than two (2) business days prior to the Closing Date, and (iv) any certificates representing the Purchased Shares held by the Sellers shall be cancelled and thereafter shall be of no further force or effect.

- 2.3.2 Such Seller has been independently advised as to the applicable hold periods imposed in respect of the Payment Shares by the securities legislation in the jurisdiction in which such Seller resides, and such Seller confirms that no representation has been made respecting the applicable hold periods for the Payment Shares and that such Seller is aware of the risks and other characteristics of the Payment Shares and of the fact that such Seller may not resell the Payment Shares except in accordance with applicable securities legislation and regulatory policy until expiry of the applicable hold periods and compliance with the other requirements of applicable law. Such Seller acknowledges that the certificates representing the Payment Shares will contain legends denoting the applicable resale restrictions, if any, and such Seller will not resell the Payment Shares except in accordance with the provisions of applicable securities legislation and Exchange rules.
- 2.3.3 Such Seller has been advised that no prospectus has been filed in connection with the issuance and granting of the Payment Shares and as the Payment Shares are being issued and granted to the Sellers pursuant to exemptions from the prospectus requirements of applicable securities laws:
- (a) most of the civil remedies applicable to the issuance and granting of securities by way of prospectus provided for in such laws are not available to such Seller;
 - (b) such Seller may not receive information that would be provided if no such exemptions were available; and
 - (c) SOW is relieved of certain obligations in respect of offerings by way of prospectus which would otherwise apply under applicable securities laws.
- 2.3.4 Such Seller will comply with any requirements imposed by the Exchange or securities legislation as a result of the shareholdings of such Seller in SOW exceeding certain thresholds, such requirements to include, without limitation, the filing of insider and early warning reports under applicable Canadian securities laws.

3. Representations and Warranties

- 3.1 *Representations and Warranties of CanadaCorp.* CanadaCorp represents, warrants and covenants to SOW as follows, and acknowledges that SOW is relying on these representations, warranties and covenants in entering into this Agreement and in completing the transactions contemplated hereby:

- 3.1.1 Organization and Good Standing – CanadaCorp is duly incorporated or organized and validly existing under the federal laws of Canada.
- 3.1.2 Bankruptcy – No bankruptcy, insolvency or receivership proceedings have been instituted or are pending against CanadaCorp, and CanadaCorp is able to satisfy its liabilities as they become due.
- 3.1.3 Due Authorization – CanadaCorp has all necessary power, authority and capacity to enter into this Agreement and to perform its obligations under this Agreement. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all necessary action on the part of CanadaCorp.
- 3.1.4 Authorized and Issued Capital – The authorized capital of CanadaCorp consists only of an unlimited number of Class A shares and Class B shares, of which at Closing Time only 10,000 CanadaCorp Shares (and no more or other classes of shares or other securities) will have been validly issued and outstanding, and as fully paid and non-assessable. The Sellers are the registered owners of all of the Purchased Shares and the Purchased Shares are held by them as set out in Schedule A.
- 3.1.5 No Options - No Person has any agreement or option or any right (whether by law, pre-emptive or contractual and including convertible securities, warrants or convertible obligations of any nature) for the purchase or the issue of either the Purchased Shares or any unissued shares in the capital stock of CanadaCorp.
- 3.1.6 Enforceability of Obligations – This Agreement constitutes a valid and binding obligation of CanadaCorp enforceable against CanadaCorp in accordance with its terms, provided that enforcement may be limited by bankruptcy, insolvency, liquidation, reorganization, reconstruction and other similar laws generally affecting enforceability of creditors’ rights and that equitable remedies such as specific performance and injunction are in the discretion of the court from which they are sought.
- 3.1.7 Assets - CanadaCorp is party to the Formulations Development Agreement. The execution and delivery of this Agreement and the performance by CanadaCorp and the Sellers, and their respective obligations hereunder, do not and will not result in or constitute a breach of any term or provision of, or constitute a default, under the Formulations Development Agreement or constitute an event which would permit Mile High Food Science, LLC to terminate the Formulations Development Agreement or to accelerate other obligations of CanadaCorp.
- 3.1.8 No Other Liabilities – There are no liabilities, contingent or otherwise, of CanadaCorp which are not disclosed to SOW. CanadaCorp has not guaranteed, or agreed to guarantee, any debt, liability or other obligation of any Person. There are no liabilities of any Person capable of creating an Encumbrance on any of CanadaCorp’s Assets.

3.1.9 Litigation (CanadaCorp) – There is no suit, action, litigation, arbitration proceeding or governmental proceeding, including appeals and applications for review, in progress, pending or to the knowledge of CanadaCorp, threatened against or relating to CanadaCorp. There is not presently outstanding against CanadaCorp any judgement, decree, injunction, rule or order of any court, Governmental Authority, commission, agency, instrumentality or arbitrator, which could, in the aggregate, be reasonably be expected to have a materially adverse effect with respect to CanadaCorp, taken as a whole.

3.2 *Representations and Warranties of the Sellers:* Each Seller severally (and not jointly or jointly and severally) makes the following representations and warranties to SOW and acknowledges that SOW is relying on such representations and warranties in entering into this Agreement and in completing the transactions contemplated under this Agreement:

3.2.1 The Purchased Shares – Such Seller is the legal and beneficial owner of the number of Purchased Shares shown as held by such Seller on Schedule A and on Closing SOW will acquire good and marketable title to such Purchased Shares free and clear of all Encumbrances.

3.2.2 No Options - No Person has any agreement or option or any right (whether by law, pre-emptive or contractual and including convertible securities, warrants or convertible obligations of any nature) for the purchase or the issue of the Purchased Shares.

3.2.3 Litigation (Shares) – There is no suit, action, litigation, arbitration proceeding or governmental proceeding, including appeals and applications for review, in progress, pending or threatened against such Seller relating to the Purchased Shares.

3.2.4 Enforceability of Obligations – When executed and delivered, this Agreement will constitute valid and legally binding obligations enforceable against such Seller in accordance with its terms subject, however, to limitations with respect to enforcement imposed by law in connection with bankruptcy or similar proceedings and to the extent that equitable remedies such as specific performance and injunction are in the discretion of the court from which they are sought.

3.2.5 Residence – Such Seller is resident in the jurisdiction set out opposite its name on Schedule A.

3.2.6 Corporate Seller – If the Seller is a corporation:

- (a) it is duly incorporated or organized and validly existing in its jurisdiction of incorporation and is in good standing with respect to the filing of annual reports; and
- (b) it has all necessary power, authority and capacity to enter into this Agreement and to perform its obligations under this Agreement; and the

execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all necessary action on the part of such Seller.

3.3 *Representations and Warranties of SOW.* SOW hereby represents, warrants and covenants to CanadaCorp and the Sellers as follows and acknowledges that CanadaCorp and the Sellers are relying on these representations, warranties and covenants in entering into this Agreement and in completing the transactions contemplated under this Agreement:

3.3.1 Organization and Good Standing – SOW is duly incorporated or organized and validly existing under the laws of the Province of British Columbia, Canada.

3.3.2 Bankruptcy – No bankruptcy, insolvency or receivership proceedings have been instituted or are pending against SOW, and SOW is able to satisfy its liabilities as they become due.

3.3.3 Capacity to Carry on Business – SOW has all necessary corporate power, authority and capacity to own its Assets and to carry on its business as presently owned and carried on by it and SOW is duly licensed, registered and qualified as a corporation to do business and is in good standing in each jurisdiction in which the nature of its business makes such qualification necessary.

3.3.4 Due Authorization – SOW has all necessary power, authority and capacity to enter into this Agreement and to perform its obligations under this Agreement. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all necessary action on the part of SOW.

3.3.5 Authorized and Issued Capital – The authorized capital of SOW consists of an unlimited number of common shares, of which 207,851,106 SOW Shares have been validly issued and are outstanding as fully paid and non-assessable.

3.3.6 Absence of Conflicting Agreements – The execution and delivery of this Agreement and the performance by SOW and its obligations hereunder do not and will not:

- (a) result in the violation of any applicable laws;
- (b) result in or constitute a breach of any term or provision of, or constitute a default under, any constating documents of SOW or any agreement to which SOW is a party or its Assets are bound; or
- (c) constitute an event which would permit any party to any agreement with SOW to terminate such agreement or to accelerate the maturity of any indebtedness or other obligation of SOW.

- 3.3.7 Consents – There are no consents, authorizations, licenses, agreements, permits, approvals or orders of any Person or Governmental Authority required to permit SOW to complete the transactions contemplated by this Agreement other than those that have already been obtained by SOW and disclosed by SOW to CanadaCorp.
- 3.3.8 Rights and Privileges – There are no rights, privileges or advantages presently enjoyed by SOW which might be lost as a result of the consummation of the transactions contemplated under this Agreement.
- 3.3.9 Enforceability of Obligations – This Agreement constitutes a valid and binding obligation of SOW enforceable against SOW in accordance with its terms, provided that enforcement may be limited by bankruptcy, insolvency, liquidation, reorganization, reconstruction and other similar laws generally affecting enforceability of creditors’ rights and that equitable remedies such as specific performance and injunction are in the discretion of the court from which they are sought.
- 3.3.10 Books and Records – The books and records of SOW are fully and accurately maintained and its books of account provide for all excise, sales, business and property taxes and other rates, charges, assessments, levies, duties, taxes, contributions, fees, licenses and other governmental charges of whatsoever kind and nature that have become due and payable or, to the extent such amount is material, that may become due and payable before the Closing Time. The minute books of SOW are complete and accurate in all material respects and reflect all material actions taken and resolutions passed by the directors and shareholders, as the case may be, of SOW, since the date of incorporation or organization.
- 3.3.11 Financial Statements – The SOW Financial Statements are true and correct in every material respect and present fairly the Assets, liabilities and financial position of SOW as at December 31, 2018, and the results of its operations to that date, in accordance with IFRS applied on a basis consistent with that of previous periods.
- 3.3.12 The Payment Shares – On Closing the Payment Shares:
- (a) will be issued to the Sellers as fully paid and non-assessable SOW Shares;
 - (b) will be duly registered in the names of the Sellers in the books and registers of SOW; and
 - (c) will be conditionally approved for listing and posting for trading on the Exchange, subject only to satisfying any conditions stipulated by the Exchange for listing.
- 3.3.13 SOW Public Record – The SOW Public Record is, in all material respects, accurate and complete and omits no facts, the omission of which makes the SOW Public Record or any particulars therein, materially misleading or incorrect at the

time such statements were made. SOW has not filed any confidential material change reports which are, as of the date of this Agreement, maintained on a confidential basis. Except as disclosed in the SOW Public Record, there is no fact known to SOW which has, or so far as SOW which has, or so far as SOW can reasonably foresee, will have a material adverse effect, or which would otherwise be material to any person intending to make an investment in SOW.

3.4 Survival. The representations, warranties and covenants made by the parties in sections 3.1, 3.2, and 3.3 shall terminate (and be of no further force or effect) on the earlier of: (a) the termination of this Agreement in accordance with its terms; and (b) the Closing Time.

4. Covenants

4.1 *Covenants of CanadaCorp, and the Sellers.* Until the earlier of the Closing Time or the termination of this Agreement in accordance with its terms, each of the Sellers and CanadaCorp severally (and not jointly or jointly and severally) hereby covenants and agrees with SOW as follows:

4.1.1 *Necessary Consents.* The Sellers and CanadaCorp shall use commercially reasonable efforts to obtain all approvals or consents as are required to complete the transactions contemplated by this Agreement, including those of the directors and shareholders of CanadaCorp or any applicable Governmental Authority; and if applicable, of Mile High Food Science, LLC with respect to the Formulations Development Agreement.

4.1.2 *Satisfaction of Conditions Precedent.* Each of the Sellers and CanadaCorp shall use commercially reasonable efforts to satisfy or cause to be satisfied the conditions precedent in Section 5.3 which are within his, her or its control.

4.1.3 *All other Actions.* The Sellers and CanadaCorp shall cooperate fully with SOW, and will use all commercially reasonable efforts to assist SOW in its efforts to complete the transactions contemplated by this Agreement, unless such cooperation and efforts would subject the Sellers or CanadaCorp to any extraordinary cost or liability or would be in breach of any applicable statutory or regulatory requirements.

4.2 *Covenants of SOW.* SOW hereby covenants and agrees with the Sellers and CanadaCorp as follows:

4.2.1 *Necessary Consents.* SOW shall use commercially reasonable efforts to obtain all approvals or consents as are required to complete the transactions contemplated by this Agreement, including those of the directors and shareholders of SOW, the Exchange or any applicable Governmental Authority.

4.2.2 *Satisfaction of Conditions Precedent.* SOW shall use commercially reasonable efforts to satisfy or cause to be satisfied the conditions in section 5.1 which are within its control.

- 4.2.3 *All other Actions.* SOW shall cooperate fully with the Sellers and CanadaCorp and will use all commercially reasonable efforts to assist the Sellers and CanadaCorp in their efforts to complete the transactions contemplated by this Agreement, unless such cooperation and efforts would subject SOW to any extraordinary cost or liability or would be in breach of any applicable statutory or regulatory requirements.
- 4.2.4 *Material Changes.* SOW shall promptly advise CanadaCorp in writing of any event, change or development that has or is reasonably expected to have an adverse effect in respect of the SOW or the transactions contemplated hereunder.

5. Conditions Precedent

- 5.1 *Conditions Precedent for the Benefit of CanadaCorp and the Sellers.* The obligation of CanadaCorp and each of the Sellers to complete the transactions contemplated by this Agreement are subject to the satisfaction of, or compliance with, at or before the Closing Time, each of the following conditions precedent (each of which is hereby acknowledged to be inserted for the exclusive benefit of CanadaCorp and each of the Sellers and may be waived by him, her or it in whole or in part):
- 5.1.1 *Truth of Representations and Warranties –* The representations and warranties of SOW contained in this Agreement will be true and correct on and as of the Closing Date as though made at and as of the Closing Date.
- 5.1.2 *Covenants and Agreements –*SOW will have satisfied and complied with all covenants and agreements in this Agreement agreed to be performed or caused to be performed by SOW on or before the Closing Time.
- 5.1.3 *Consents –* All consents, approvals, orders and authorizations of or from Governmental Authorities or the Exchange required in connection with the completion of the transactions contemplated by this Agreement will have been obtained on or before the Closing Time on terms and conditions satisfactory to CanadaCorp, including the conditional approval of the listing of the Payment Shares.
- 5.1.4 *No Material Adverse Change –* No material adverse change (nor any condition, event or development involving a prospective material adverse change) shall have occurred in the Business, Assets, operations, capital or financial condition of SOW.
- 5.1.5 *Closing Documents –* SOW will have tendered the documents to be delivered by it at Closing in accordance with this Agreement.
- 5.1.6 *Shareholders Agreement –* The Sellers and SOW shall have entered into a shareholders' agreement with respect to their ownership of CanadaCorp and the management of its affairs.

- 5.2 *Non-satisfaction of Conditions.* If any of the conditions set forth in Section 5.1 are not fulfilled or waived to the reasonable satisfaction of CanadaCorp and each of the Sellers, CanadaCorp and each of the Sellers may, acting reasonably, terminate this Agreement by notice in writing to SOW. In such event, CanadaCorp and each of the Sellers will be released from all obligations under this Agreement and SOW will also be so released unless they were reasonably capable of causing such condition or conditions to be fulfilled or they have breached any of their representations, warranties, covenants or agreements in this Agreement.
- 5.3 *Conditions Precedent for the Benefit SOW.* The obligations of SOW to complete the transactions contemplated by this Agreement are subject to the satisfaction of, or compliance with, at or before the Closing Time, each of the following conditions precedent (each of which is hereby acknowledged to be inserted for the exclusive benefit of SOW and may be waived by it in whole or in part):
- 5.3.1 Truth of Representations and Warranties – The representations and warranties of each of CanadaCorp and the Sellers contained in this Agreement will be true and correct on and as of the Closing Date as though made at and as of the Closing Date.
- 5.3.2 Covenants and Agreements – Each of CanadaCorp and the Sellers will have complied with all covenants and agreements in this Agreement agreed to be performed or caused to be performed by it on or before the Closing Time.
- 5.3.3 Consents – All consents, approvals, orders and authorizations of or from Governmental Authorities or the Exchange required in connection with the completion of the transactions contemplated by this Agreement will have been obtained on or before the Closing Time on terms and conditions satisfactory to the Sellers, including the approval of Mile High Food Science, LLC in connection with the Formulations Development Agreement, if applicable.
- 5.3.4 No Material Adverse Change – No material adverse change (nor any condition, event or development involving a prospective material adverse change) shall have occurred in the Business, Assets, operations, capital or financial condition of SOW.
- 5.3.5 Closing Documents – CanadaCorp and each of the Sellers will have tendered the documents to be delivered by it at Closing in accordance with this Agreement, including without limitation, the tender of all of the Purchased Shares.
- 5.4 *Non-satisfaction of Conditions.* If any of the conditions set forth in Section 5.3 are not fulfilled or waived to the reasonable satisfaction of SOW, SOW may, acting reasonably, terminate this Agreement by notice in writing to CanadaCorp and the Sellers. In such event the SOW will be released from all obligations under this Agreement and CanadaCorp and each of the Sellers will also be so released unless it was reasonably capable of causing such condition or conditions to be fulfilled or it has breached any of its representations, warranties, covenants or agreements in this Agreement.

5.5 *Waivers.* Each of the parties on his, her or its behalf, may waive any condition for his, her or its benefit in this Agreement, in whole or in part, without prejudice to any right of rescission or any other right in the event of the non-fulfilment of any other condition or conditions. A waiver will only be binding if it is in writing.

6. Indemnification

6.1 *Indemnification by SOW.* SOW agrees to indemnify and save harmless CanadaCorp from and against any and all losses, debts, obligations, liabilities, expenses, costs and damages (including reasonable legal fees) (collectively, the “**Damages**”) suffered or incurred by CanadaCorp as a result of any breach of, or untruth of, any of the covenants, warranties or representations contained in section 3.3 and 4.2 of this Agreement.

6.2 *Indemnification by CanadaCorp and each of the Sellers.* CanadaCorp and each of the Sellers agree to indemnify and save harmless SOW from and against any and all Damages suffered or incurred by SOW as a result of any breach of, or untruth of, any of the covenants, warranties or representations contained in section 3.1, 3.2 or 4.1 of this Agreement.

7. Closing Arrangements

7.1 The closing of this transaction shall take place at the offices of SOW on the Closing Date.

7.2 On the Closing Date, CanadaCorp and each of the Sellers shall deliver, or cause to be delivered, to SOW such documents as may reasonably be required to perfect the transactions contemplated by this Agreement and SOW shall deliver, or cause to be delivered, to CanadaCorp and the Sellers such documents as may reasonably be required to perfect the transactions contemplated by this agreement.

8. Notices

8.1 *Delivery of Notice.* Any notice, direction or other instrument required or permitted to be given by any party under this Agreement will be in writing and will be sufficiently given if delivered personally or by courier, or transmitted by fax or email means during the transmission of which no indication of failure of receipt is communicated to the sender:

8.1.1 in the case of CanadaCorp and the Sellers:

69 Yonge street, #17069
Toronto, Ontario M5E 1K3

Attention: Chief Operating Officer

8.1.2 in the case of SOW:

Organic Flower Investments Group Inc.

Suite 810-789 West Pender Street
Vancouver, British Columbia V6C 1H2

Attention: Chief Financial Officer
Email: theo@pashleth.com

8.2 *Receipt of Notice.* Any such notice, direction or other instrument, if delivered personally, will be deemed to have been given and received on the date on which it was received at such address and, if sent by fax or email, will be deemed to have been given and received on the date of transmission in accordance with this Section.

9. Termination

9.1 *Grounds for Termination.* This Agreement may be terminated at any time before the Closing:

9.1.1 by the mutual agreement of SOW and CanadaCorp;

9.1.2 by either CanadaCorp or SOW if it is not in material breach of its obligations under this Agreement, and if there has been a breach by the other of any of its representations and warranties or covenants hereunder and in either case such breach has not been cured within ten days after written notice, specifying such breach, to such Party; or

9.1.3 by SOW or CanadaCorp if the Closing Date is not on or before June 30, 2019 or such later date as may be agreed in writing by SOW and CanadaCorp.

9.2 *Effect of Termination.* If this Agreement is terminated as provided in Section 9.1, it will, except as provided herein, forthwith become void, and, subject to Sections 3.4, 5.2 and 5.4 none of the parties or their respective officers, directors, employees, agents, or shareholders will have any liability or obligation with respect to the terminated provisions of the Agreement. Sections 3.4, 5.2, 5.4, 11.3 and 11.4 will survive termination of this Agreement and will continue to be in effect notwithstanding the termination of this Agreement.

10. Power of Attorney

10.1 Each of the Sellers hereby severally and irrevocably appoints CanadaCorp as their attorney to take any action that is required and hereby authorizes any director or officer of CanadaCorp, on behalf of CanadaCorp, to sign any documents on their behalf, including without limitation, for the purposes of all Closing matters and deliveries of documents and to do and cause to be done all such acts and things as may be necessary or desirable in connection with the transactions contemplated hereunder, including the sale, assignment and transfer of the Purchased Shares to SOW. Without limiting the generality of the foregoing, CanadaCorp may, on behalf of itself and the Sellers, extend the Time of Closing, modify or waive such conditions as are contemplated herein, negotiate, settle

and deliver the final forms of this Agreement and any other documents that are necessary or desirable to give effect to the transactions contemplated herein.

11. General Provisions

- 11.1 *Entire Agreement.* This Agreement, including all the Schedules hereto, together with the agreements and other documents to be delivered pursuant hereto, constitutes the entire agreement among the parties pertaining to the subject matter hereof and supersedes any and all prior agreements, understandings, negotiations and discussions, whether oral or written, of the parties and there are no warranties, representations or other agreements among the parties in connection with the subject matter hereof except as specifically set forth herein and therein.
- 11.2 *Costs and Expenses.* Each party shall be responsible for its' respective costs and expenses in connection with the transactions contemplated herein.
- 11.3 *Confidentiality.* Until the Closing Time, and in the event of the termination of this Agreement without consummation of the transactions contemplated by this Agreement, for a period of two years from the date of this Agreement, each party to this Agreement will keep confidential any information obtained from the other parties, provided that a party may disclose confidential information (i) to those of its representatives and professional advisors who have a need to know the information in connection with providing advice with respect to this Agreement and the transactions contemplated thereby if such representatives and advisors commit to protect such information in a manner consistent herewith or (ii) if such disclosure is required by law or the rules of the Exchange or over Governmental Authority or (iii) if such information has been made public other than as a result of a breach of this Section. If this Agreement is terminated without consummation of the transactions contemplated thereby, promptly after such termination all documents, work papers and other written material obtained from a party in connection with this Agreement and not theretofore made public (including all copies and photocopies thereof), shall be returned to the party that provided such material.
- 11.4 *Public Announcements.* Neither SOW nor CanadaCorp will, without the prior consent of the others, make any disclosure regarding the existence, purpose, scope, content, terms or conditions of this Agreement or other agreements relating to this Agreement except in order to comply with a legal obligation, the requirements of a competent Government Authority or the requirements of the Exchange; provided that, where practicable, a copy of any proposed announcement or statement will be furnished to the other parties in advance of the proposed date of publication. Nothing herein will prevent disclosure of the terms of this Agreement to a corporate party's directors, officers, employees or agents or its financial, legal, accounting or other advisors.
- 11.5 *Waiver.* The failure of a party in any one or more instances to insist upon strict performance of any of the terms of this Agreement or to exercise any right or privilege arising under it will not preclude it from requiring by reasonable notice that any other party duly perform its obligations or preclude it from exercising such a right or privilege

under reasonable circumstances, nor will waiver in any one instance of a breach be construed as an amendment of this Agreement or waiver of any later breach.

- 11.6 *Assignment.* None of the parties will assign, transfer, charge or otherwise encumber the benefit (or any part thereof) or the burden (or any part thereof) of this Agreement without the prior written consent of the other parties, such consent not to be unreasonably withheld.
- 11.7 *Further Assurances.* Each of the parties hereto will from time to time at the request of any of the other parties hereto and without further consideration, execute and deliver all such other additional assignments, transfers, instruments, notices, releases and other documents and will do all such other acts and things as may be necessary or desirable to assure more fully the consummation of the transactions contemplated hereby.
- 11.8 *Time.* Time will be of the essence of this Agreement.
- 11.9 *Amendment.* This Agreement may be amended or varied only by agreement in writing signed by each of the parties. Unless the context otherwise so requires, a reference to this Agreement includes a reference to this Agreement as amended or varied from time to time.
- 11.10 *Several.* Unless otherwise provided, each and every covenant, representation or warranty of the Sellers contained herein is several (and not joint or joint and several).
- 11.11 *Severability.* If any provision of this Agreement is determined to be invalid or unenforceable in whole or in part, such invalidity or unenforceability will attach only to such provision or part thereof and the remaining part of such provision and all other provisions hereof will continue in full force and effect.
- 11.12 *Governing Law.* This Agreement will be governed by and interpreted in accordance with the laws from time to time in force in the Province of Ontario and each of the parties hereby attorns to the non-exclusive jurisdiction of the courts of the Province of Ontario, sitting in Toronto.
- 11.13 *Benefit of Agreement.* This Agreement will enure to the benefit of and be binding upon each of the parties hereto who is a corporation and their respective successors and permitted assigns and upon each of the parties hereto who is an individual and their respective executors, personal representatives, heirs, successors and permitted assigns.
- 11.14 *Counterparts.* This Agreement may be executed in as many counterparts as are necessary. It will be binding on each party when each party hereto has signed and delivered one such counterpart. Delivery may be made by facsimile or other electronic transmission. When a counterpart of this Agreement has been executed by each party, all counterparts together will constitute one agreement.

12. Section 85 Election

- 12.1 It is intended that the transfer hereunder of the Purchased Shares be on a tax deferred basis to the Sellers for purposes of the Tax Act and applicable provincial income tax statutes. In order to give effect to this intention, the Sellers and SOW shall, in a timely manner, jointly execute and file elections under Section 85 of the Tax Act in prescribed form and elections in prescribed form under the corresponding provisions of applicable provincial income tax statutes in respect of the transfer hereunder of the Purchased Shares. The elected amounts (the “**Elected Amounts**”) for purposes of each such election will be determined by the Sellers in a manner consistent with the above-described intention.
- 12.2 If the Sellers and SOW subsequently mutually determine, or if the Canada Revenue Agency or any other taxing authority issues, or proposes to issue, assessments or reassessments of additional liability for taxes or in respect of any other matter by reason of asserting that an elected amount is more or less than the Elected Amounts for the Purchased Shares as determined by the Sellers, then the Elected Amounts shall be increased or decreased as necessary but only to the extent that the Elected Amounts so revised is acceptable to the parties hereto, as the case may be, or is established by a court of competent jurisdiction (after all appeal rights have been exhausted or all time periods for appeal have expired without appeals having been taken) to be the Elected Amounts, as the case may be.
- 12.3 If an Elected Amount is varied in the circumstances described in Section 12.2 above, the Sellers and SOW shall file a revised election(s) under the provisions of subsection 85(1) of the Tax Act and the corresponding provisions of all applicable provincial income tax statutes to give effect to the variation.

THE PARTIES, intending to be contractually bound, have executed this Agreement as of the date and year first above written.

11353705 CANADA CORP.

By: 

(Authorized Signatory)

**ORGANIC FLOWER INVESTMENTS GROUP
INC.**

By: 

(Authorized Signatory)

SELLERS:

NONPAREIL INITIATIVES INC.

By: 

(Authorized Signatory)

SIGNED, SEALED & DELIVERED

In the presence of:



Witness



Joe Nguyen

SCHEDULE A

THE SELLERS, PURCHASED SHARES AND PAYMENT SHARES

Shareholder	Shareholder Address	Number of Purchased Shares Held	Number of Payment Shares to be Received on Closing
[REDACTED]	[REDACTED]	6,000	3,000,000
[REDACTED]	[REDACTED]	4,000	2,000,000
	TOTAL	10,000	5,000,000

FORMULATIONS DEVELOPMENT AGREEMENT

This Formulations Development Agreement ("Agreement") is made **May 28, 2019** ("**Signing Date**"), by and between Mile High Food Science, LLC., incorporated pursuant to the laws of the State of Colorado, USA, with its principal place of business at 12445 E. 39th Ave Denver, CO, 80239 ("Supplier") and 11353705 Canada Corp. a corporation incorporated pursuant to the laws of Ontario, Canada, with its principal place of business at 47 Colborne Street, Unit #402 Toronto, ON, Canada, M5H 1P8 ("Company").

RECITALS

WHEREAS, Supplier is engaged in the business of ingredient sourcing; equipment sourcing and recommendations; manufacturing; production consultations; selling proprietary formulations, for both marijuana and non-infused ingredients/products (the "Services");

WHEREAS, Company shall own, controls or possesses certain recipes, formulae and/or specifications for cannabis related products from the Supplier as well as the right to use certain names, design, slogans, and logos as trademarks ("the Trademarks") in conjunction therewith; and

WHEREAS, Company, for itself or through a subsidiary, desires to manufacture, package, sell, and distribute marijuana products, and desires to purchase and use the Services in connection with that business.

NOW, THEREFORE, in consideration of the promises and covenants set forth herein, the adequacy and sufficiency of which are hereby acknowledged, the parties, in good faith, agree as follows:

1. **Licence Grant**

Company hereby grants, and Supplier hereby accepts, the right and license to formulate and package cannabis related products in Schedule A (the "Product(s)"), for which Company owns, controls or possesses all recipes, formulae, and specifications. All such Products shall be prepared by the Supplier in accordance with the terms, conditions and processes as set forth on Schedule B.

2. **Term**

This Agreement shall become effective and binding upon the parties on the date set forth above and shall remain in effect for a period of twenty-four (24) months from such date, unless earlier terminated as provided herein ("the Initial Term"). Either party shall be entitled, not less than six (6) months prior to the expiration of the Initial Term, to give notice to the other of the termination of this Agreement upon the expiration of the Initial Term. In the absence of such written notice from either party to the other terminating this Agreement on the expiration of the Initial Term, this Agreement shall continue in successive periods of one (1) year thereafter subject to the right to either party to terminate this Agreement at any time, without cause, upon the giving to the other of not less than six

(6) month's notice of such termination prior to date of expiration, and, in such event, this Agreement shall be terminated on the date specified in such notice.

3. **Duties of the Company**

- (a) **Proprietary Information.** Company shall provide Supplier with objectives for recipes, formulae and specifications for the Products as well as the Product flavour profiles, and instructions and such other information and materials as are required under the terms of this Agreement or as may be reasonable and necessary for Supplier to carry out the terms of this Agreement (the "**Proprietary Information**"). Company shall own and maintain ownership of the Proprietary Information, the ingredients and the Product throughout the stages of production of the Product once the final payment is received. The Supplier shall take all commercially reasonable efforts to ensure that the Company's Proprietary Information is stored in a safe manner and at all times secured.
- (b) The Company will, at all times, provide ingredients for inclusion in the Products which comply with the requirements of Schedule B;

4. **Duties of Supplier**

- (a) **Services.** Supplier shall perform all the Services mentioned above according to Company's instructions/specifications. The Company shall be in control and supervise the production of the Products that is being produced for sale under this Agreement.
- (b) **Performance.** Supplier shall immediately inform the Company in writing of any situation that could have a negative effect on Supplier's ability regarding the performance of the Services.
- (c) **Delivery and Timing.** Supplier shall provide the Services in accordance with any timetable agreed between the parties or, in the absence of any other specification and where the Services are provided on the Company premises, the normal working hours of the Company. Within such limitations, Supplier is free to organize the provision of Services and to set its own work schedule. The timetable may be affected by outside influences outside the realm of control of the Supplier.

5. **Mutual Indemnification**

- a) In the event the Company or Supplier fails to provide any or all the Services(a) in accordance with the Company's specifications or the standards referred to in this Agreement; and/or (b) within the agreed timetable, then the Company shall be entitled to the remedies available under applicable law.
- b) Supplier shall indemnify, defend and hold the Company harmless against all claims and liabilities incurred by or awarded against the Company arising out of or in connection with the provision of or failure to provide the Services, including

without limitation the costs and delays caused to the Company of having the Services re-performed by Supplier or another party.

c) Company shall indemnify, defend and hold the Supplier harmless against all claims and liabilities incurred by or awarded against the Supplier arising out of or in connection with the provision of or failure to provide the Services, including without limitation the costs and delays caused to the Company of having the Services re-performed by Supplier or another party.

d) Supplier shall not be liable for indirect or consequential losses. However, this limitation of Supplier's liability shall not apply and Supplier shall fully indemnify, defend and hold the Company harmless against all losses, damages, liabilities and expenses (a) where Supplier has been guilty of wilful misconduct or gross negligence; (b) in connection with employment, tax, social security and related claims and liabilities towards Supplier's personnel and subcontractors that may be claimed against the Company; and (c) in the circumstances set out in Schedule C.

e) Company shall not be liable for indirect or consequential losses. However, this limitation of Company's liability shall not apply and Company shall fully indemnify, defend and hold the Supplier harmless against all losses, damages, liabilities and expenses (a) where Company has been guilty of wilful misconduct or gross negligence; (b) in connection with employment, tax, social security and related claims and liabilities towards Company's personnel and subcontractors that may be claimed against the Supplier; and (c) in the circumstances set out in Schedule C.

f) Supplier shall maintain adequate professional indemnity and third-party civil liability insurance covering its obligations under this Article 7, as further set out in Appendix 1. Upon reasonable notice from the Company, Supplier shall provide evidence of such insurance.

g) Company shall maintain adequate professional indemnity and third-party civil liability insurance covering its obligations under this Article 7, as further set out in Appendix 1. Upon reasonable notice from the Supplier, Company shall provide evidence of such insurance.

6. Price

(a) **Price.** Company shall pay Supplier for Products produced and Services provided on its behalf an amount (the "**Price**") equal to the sum of (i) base formula fee (the "**Base**

Charge") and ii) additional variations (the "**Additional Variations**"), as set forth under attached Schedule B. The Price shall be payable on performance of the Services to the Company reasonable satisfaction in accordance with any timetable and additional requirements set out in Schedule B.

- (b) **Payment.** Company shall make payment to the Supplier according to Schedule B. The Price shall include all taxes, assessments, impositions, tariffs, import duties and similar charges imposed by any taxing or other governmental authority on Supplier related to this Agreement, except that any sales tax imposed on the Company by applicable law and collectible by Supplier may be invoiced to the Company in addition to the Price. If the Company agrees in writing to reimburse the cost of any travel, this shall be in accordance with the Company travel policy for its own employees as may be in force from time to time.

7. **Intellectual Property Rights and Exclusivity Provisions**

- (a) Information, plans, documents and other items provided to Supplier by or on behalf of the Company shall remain the property of the Company and shall be used only in accordance with any instructions or restrictions given in relation thereto by the Company. Supplier shall return all such items to the Company, together with all copies, upon the expiration or termination of this Agreement or at any other time on the request of the Company.
- (b) If Supplier is required to work on any Deliverables (as defined in Schedule C) then the provisions of Schedule C shall apply.

8. **Representations and Warranties**

- (a) **Supplier's Representations and Warranties.** Supplier represents and warrants to Company as follows, acknowledging that Company is relying on these representations and warranties:
- (i) all Products will be formulated, manufactured and packaged in accordance with Company's specifications within reason;
 - (ii) use a high degree of professional care and skill in performing the Services;
 - (iii) comply with the reasonable directions of the Company in performing the Services;
 - (iv) ensure that all personnel providing or contributing to the performance of the Services shall be appropriately qualified to render the Services and comply with the terms of this Agreement;

- (v) comply with all rules, regulations and security and office procedures of the Company notified to Supplier from time to time in relation to any premises of the Company;
 - (vi) comply with all relevant applicable laws, statutes and regulations;
 - (vii) keep the Company fully and regularly informed of progress on the Services, and fully answer any questions raised by the Company, during the performance of and for a reasonable period after the expiration or termination of this Agreement;
 - (viii) Supplier will follow good manufacturing practices in the production of the Products and all Products shall be of a good and merchantable quality and fit for the purpose for which they are intended to be used;
 - (ix) The formulation, manufacturing and packaging by Supplier of the Products, pursuant to the terms and conditions of this Agreement, are in accordance with all applicable domestic laws and regulations dealing with the production, storage, distribution and sale of Products containing cannabis;
 - (x) Supplier currently has, and shall maintain during the term of this Agreement, all licenses, permits, registrations and certificates of approval as are necessary to formulate, manufacture and package the Products.
- (b) **Company's Representations and Warranties.** Company represents and warrants to Supplier as follows, acknowledging that Supplier is relying on this representation and warranty:
- (i) Company currently has, and shall maintain during the term of this Agreement, all licenses, permits, registrations and certificates of approval as are necessary to package and sell the Products.

9. **Relationship of the Parties**

The parties shall be deemed independent contractors. Nothing herein contained shall be construed to create any partnership, joint venture, agency or employment relationship between the parties. Neither party shall have the power or right to bind the other party to any third party, and each party shall be responsible exclusively for its own taxes and expenses related to doing business.

10. **Duration and Termination**

- (a) This Agreement becomes valid on the effective date set out in Schedule B and shall continue in effect until the expiration date set out in Schedule B. Thereafter, this Agreement shall be automatically prolonged for successive periods in accordance with the provisions of Schedule B. The following articles shall remain valid even after the expiration or termination of this Agreement: Schedule B and Schedule C.

- (b) This Agreement may be terminated on thirty (30) days written notice by either party for any reason whatsoever.
- (c) If either party commits a material breach, the non-breaching party may terminate this Agreement effective on ninety (90) days' notice to the party in breach, unless the breach is cured before the end of that period.
- (d) This Agreement will automatically terminate without Notice upon the occurrence of any of the following events relating either Supplier or the Company and its successor or permitted assign:
 - (i) an assignment in bankruptcy is filed,
 - (ii) an adjudication of bankruptcy is made,
 - (iii) a petition in bankruptcy is filed,
 - (iv) insolvency occurs,
 - (v) an assignment for the benefit of creditors is made,
 - (vi) an arrangement under any bankruptcy law is made,
 - (vii) discontinuance of either party's business occurs, or
 - (viii) a receiver is appointed of all or substantially all of the either party's business or assets.
- (e) Upon the effective date of the termination or expiration of this Agreement,
 - (i) Supplier shall:
 - (A) immediately cease to use the Trademarks, and any other property belonging to, or received from Company that is in Supplier's control,
 - (B) return to the Company, or at the Company's request, destroy all copies of all information relating to the Trademarks, and any other property belonging to, or received from, the Company that is in the Supplier's control.
 - (ii) Company shall pay all amounts earned, due and/or owing to Supplier for and/or relating to Product produced pursuant to this Agreement.

11. **Confidentiality**

- (a) **Non-Disclosure.** The Parties agree that, except as they shall otherwise mutually determine from time to time, the terms of this Agreement and any notices given hereunder or other communications with respect to the substance of the relationship

between them shall be maintained in confidence; provided that each Party shall be permitted to make such disclosures of confidential information to such courts and other public or governmental agencies as their counsel shall deem necessary to maintain compliance with and to prevent violation of applicable federal or provincial laws. In the event of any breach of this provision by either party, the injured party may obtain an injunction against the other party's disclosure of the data and shall be entitled to any damage or loss occasioned by such disclosure. This application of confidentiality and non-disclosure shall not apply to information which (a) is in the public domain at the time of the receipt from the other party, or which comes into the public domain without breach of an obligation hereunder; (b) is known and can be shown to be known by one party at the time of receipt from the other party; or (c) becomes known to one party through a third source whose acquisition was independent of the other party and not in breach of any obligation hereunder.

- (b) **Proprietary Information.** All Proprietary Information, material, information, data or records (the "Materials") provided by one party to the other shall be the sole and exclusive property of the party providing such Materials. The parties agree that any information that may be received from the other party, including but not limited to, Proprietary Information, customer lists, product recipes, formulae, specifications and pricing information, promotional or marketing materials, or the like in connection with the Products or this Agreement or the rights and obligations provided for hereunder (the "Confidential Information"), shall not be disclosed by such party to any other person and is only to be used in the performance of the obligations under this Agreement and for no other reason. Each party shall return the original and all copies of the Materials and Confidential Information received from the other party promptly following the termination of this Agreement.

12. General Provisions

- (a) **Entire Agreement.** This Agreement and the exhibits referred to herein and to be delivered pursuant hereto, constitute the entire agreement between the parties pertaining to the subject matter hereof, and supersede all prior agreements, understandings, negotiations and discussions of the parties, whether oral or written, and there are no warranties, representations or other agreements between the parties in connection with the subject matter hereof, except as specifically set forth herein.
- (b) **Severability.** If any term or provision of this Agreement shall, to any extent, be determined to be invalid or unenforceable, the remainder of this Agreement shall not be affected thereby, and each remaining term and provision of this Agreement shall be valid and enforceable to the greatest extent permitted by law.
- (c) **Governing law.** The laws of the State of Colorado and the laws of Canada applicable in that province, excluding any rule or principle of conflicts of law that may provide otherwise, govern this agreement.

- (d) **Submission to Jurisdiction.** The parties irrevocably attorn to the jurisdiction of the courts of Colorado, which will have non-exclusive jurisdiction over any matter arising out of this agreement.
- (e) **Privacy of Personal Information.** To the extent that either party receives or has access to any personal information about an identifiable individual in the care or control of the other party, it shall treat such information in compliance with the *Personal Information Protection and Electronic Documents Act* (Canada).
- (f) **Assignment.** Either party may assign this Agreement, subject to all of the terms and provisions hereof and to the prior written consent of the non-assigning party, which may be withheld by the Company in its sole discretion but may not be unreasonably withheld by the Supplier. All provisions of this Agreement shall be binding upon the respective employees, delegates, successors, heirs and permitted assignees of the parties.
- (g) **Notices.** Unless otherwise specifically provided herein, all communications or notices required or permitted by this Agreement shall be in writing and shall be deemed to have been given at the earlier of the date when actually delivered to an officer of the other or three days after deposit by registered mail, postage prepaid, return receipt requested, and addressed as follows, unless and until either party notifies the other of a change of address:
- (i) If to Supplier:
12445 E. 39th Ave Denver, CO 80239
 - (ii) If to Company:
47 Colborne Street, Unit #402 Toronto, ON, Canada, M5H 1P8
- (h) **Waiver and Modifications.** Unless otherwise specifically provided herein, no waiver or modification of any of the terms of this Agreement shall be valid unless in writing and signed by both parties. No waiver by either party of a breach hereof or default hereunder shall be deemed a waiver by such party of a prior or subsequent breach or default of like or similar nature.
- (i) **Disparagement.** Each Party agrees not to make and to take all commercially reasonable steps to prevent any of its personnel from making, disparaging or otherwise adverse remarks about the products of the other Party.
- (j) **Force Majeure.** In the event that either party is prevented or delayed from performing its obligations under the terms of this Agreement by virtue of one or more events or contingencies beyond its reasonable control, whether or not presently

occurring or contemplated by either party, including but not limited to, fires, labour strikes, labour disputes, accidents, sabotage, federal, provincial or municipal legislation or any regulations or orders thereunder, judicial action, acts of God, war, or civil commotion, such nonperformance shall be excused and shall not constitute a default under the terms of this Agreement, provided, however, that in the event that such nonperformance continues for a period in excess of three (3) consecutive months, either party shall have the option thereunder to terminate this Agreement immediately upon written notice to that effect.

- (k) **Further Instruments.** The parties shall execute and deliver any and all other instruments and shall take any and all other actions as may be reasonably necessary to carry out the intent of the Agreement into full force and effect.
- (l) **Construction of Terms.** The parties have each participated in settling the terms of this Agreement. Any rule of legal interpretation to the effect that any ambiguity is to be resolved against the drafting party will not apply in interpreting this agreement.
- (m) **Effective Date.** This Agreement is effective as of the date shown at the top of the first page, even if any signatures are made after that date.
- (n) **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This agreement has been executed by the parties.

MILE HIGH FOOD SCIENCE, LLC.

Per: Barbara Sheppard
Name: Barbara Sheppard
Title: Owner
I have authority to bind the Corporation

11353705 CANADA CORP.

Per: MyN
Name: Michael Nguyen
Title: Director
I have authority to bind the Corporation

SCHEDULE A

THE PRODUCTS

Gum

Mints

Pressed pills

Candies similar to Sweet Tarts

(4 products with 4 variables at this time)

SCHEDULE B

Supplier's area of expertise:	Ingredient sourcing; equipment sourcing and recommendations; manufacturing; production consultations; selling proprietary formulations; product testing recommendations; for both marijuana and non-infused ingredients/products
Services to be provided:	Ingredient sourcing; equipment sourcing and recommendations; manufacturing; production consultations (including on-site to ensure product quality); selling proprietary formulations; product testing recommendations; for both marijuana and non-infused ingredients/products
Deliverables to be provided:	Gum Mints Pressed pills Candies similar to Sweet Tarts <i>(4 products with 4 variables at this time)</i>
Supplier Key Staff:	<i>Brandon Shepherd</i> <i>Barbara Shepherd</i>
Facilities required to be provided by the Company:	<i>MHFS and the Company</i>
Effective Date of Agreement:	<i>Signing Date of this Agreement</i>

Expiration of Agreement:	<i>24 months from Signing Date</i>
Extension periods:	<i>Successive periods of one (1) year each unless either party gives the other notice of termination not less than six (6) months before the date of expiration</i>
Supplier's Fees:	<p><i>\$9,000 per base formula and \$4,500 for each addition variable, plus ingredients, shipping, travel & expense to the Company.</i></p> <p><i>Total payment is \$110,000 based on the below calculation:</i></p> <p><i>4 base formulas x \$9,000 = \$36,000</i></p> <p><i>PLUS</i></p> <p><i>3 variations in additional to each base formula x 4 base formulas x \$4,500 = \$54,000</i></p> <p><i>PLUS</i></p> <p><i>Travel, Accommodations and related expenses \$20,000</i></p>
Supplier may invoice the Fees:	<i>Supplier may present invoice(s) once a month for a period of 24 months and Successive periods of one (1) year each unless either party gives the other notice of termination not less than six (6) months before the date of expiration</i>
Payment terms:	<p><i>Payment 1 - \$36,667 (33%) of the total payment of \$90,000 will be paid upon signing the Agreement.</i></p> <p><i>Payment 2 - \$36,667 (33%) upon completion of formulations</i></p>

	<p><i>Payment 3 - \$36,667 (33%) upon successful dosage testing by 3rd party certified and accredited lab</i></p> <p><i>Fees will be paid in US dollars. 7 days from receipt of invoice.</i></p>
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Schedule C: INTELLECTUAL PROPERTY RIGHTS AND EXCLUSIVITY

To the extent that Supplier:

- (i) is required as part of the Services to develop for and/or present to the Company or Purchasing Entity any specifications, drawings, schematics, layouts, plans, architectures, mathematical models, data, formulae, methods, guidelines, practices, tests, tools, software or any written or other deliverables ("Deliverables"),

then the following shall apply:

1. Supplier agrees that all Deliverables shall be the sole and exclusive property of the Company and all rights therein are hereby assigned to the Company. Such Deliverables shall not be disclosed by Supplier to anyone but the Company or used by Supplier other than for the purpose of the Services.
2. All information that was the property of Supplier prior to the commencement of the Services shall remain the property of Supplier and, except as set out herein, the Company shall have no rights over such information.
3. If any portion of any Deliverable is contributed or performed by a party other than Supplier, then Supplier shall ensure that the Company's rights to the Deliverables are not prejudiced thereby. In particular, but without limitation, Supplier represents that it has, or will have prior to commencement of the Services, valid and sufficient agreements with its employees such that Supplier is entitled to dispose of rights in the Deliverables as provided for under this Agreement.
4. Upon the Company's request, Supplier shall execute any document and provide such other assistance as the Company believes necessary to protect the Company's full right, title and interest worldwide in any Deliverable. Supplier shall, at its own expense, ensure that any person to whom it is permitted to assign or subcontract its obligations as provided below shall also comply with the terms of this Appendix.
5. IP will revert back to MHFS without Notice upon the occurrence of any of the following events relating to the Company and its successor or permitted assign:

- i. an assignment in bankruptcy is filed,
- ii. an adjudication of bankruptcy is made,
- iii. a petition in bankruptcy is filed,
- iv. insolvency occurs,
- v. an assignment for the benefit of creditors is made,
- vi. an arrangement under any bankruptcy law is made,
- vii. discontinuance of either party's business occurs, or
- viii. a receiver is appointed of all or substantially all of the either party's business or assets.

SHARE PURCHASE AGREEMENT

THIS AGREEMENT dated for reference the 29th day of May, 2019.

AMONG:

TRICHOME CANNABRANDS INC., a corporation duly incorporated under the laws of the Province of Ontario.

(the “Company”)

AND:

THE SHAREHOLDERS OF TRICHOME CANNABRANDS LTD., as set forth and described in Schedule “A”.

(together, the “Vendors”)

AND:

ORGANIC FLOWER INVESTMENTS GROUP INC., a corporation duly incorporated under the laws of the Province of British Columbia.

(the “Purchaser”)

WHEREAS:

- A. The Vendors are the registered and beneficial owners of 100% of the issued and outstanding common shares in the capital of the Company (the “Shares”);
- B. The Company owns certain assets as set forth in Schedule “B”; and
- C. The Vendors have agreed to sell 100% of the Shares, and the Purchaser has agreed to purchase the Shares, for the Purchase Price (as hereinafter defined) in the proportions set out in Schedule “A” and on the terms and conditions set forth in this Agreement.

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the premises and covenants and agreements herein set forth and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged) the parties hereto agree as follows:

1. Definitions and Interpretation

- 1.1 In this Agreement:

- (a) “Closing Date” means such date as is determined by the Vendors and the Purchaser;
- (b) “Consideration Shares” has the meaning ascribed to it in Section 3.3;
- (c) “Intellectual Property” means
 - (i) all patents, patent rights, patent applications, reissues, continuations, continuations-in-part, re-examinations, divisional applications and analogous rights to them, and inventions and discoveries owned or used by the Company for the business of the Company;
 - (ii) all trademarks, trademark applications and registrations, signs, trade dress, service marks, logos, slogans, brand names and other identifiers of source owned or used by the Company for the business of the Company;
 - (iii) all copyrights and copyright applications and registrations owned or used by the Company for the business of the Company;
 - (iv) all industrial designs and applications for registration of industrial designs and industrial design rights, design patents and industrial design registrations owned or used by the Company for the business of the Company;
 - (v) all trade names, trade name registrations, business names, corporate names, telephone numbers, domain names, domain name registrations, website names and worldwide web addresses, social media accounts and social media handles and other communication addresses owned or used by the Company for the business of the Company;
 - (vi) all other intellectual property rights owned or used by the Company in carrying on, or arising from the operation of, the business of the Company, and foreign equivalents or counterpart rights, in any jurisdiction throughout the world;
 - (vii) all licences granted by the Company of the intellectual property described in paragraphs (i) to (vi) above;
 - (viii) all licences granted to the Company of the intellectual property described in paragraphs (i) to (vi) above; and
 - (ix) all goodwill associated with any of the foregoing.
- (d) “Lien” means any mortgage, debenture, charge, hypothecation, pledge, lien, or other security interest or encumbrance of whatever kind or nature, regardless of form and whether consensual or arising by laws, statutory or otherwise that secures the payment of any indebtedness or the performance of any obligation or creates in favour of or grants to any person any proprietary right;

- (e) “Purchase Price” has the meaning ascribed to it in Section 3.2;
- (f) “Purchaser Shares” means common shares in the capital of the Purchaser; and
- (g) “Shares” has the meaning ascribed to it in recital ‘A’.

2. Warranties and Representations

2.1 The Vendors hereby represent and warrant to the Purchaser, as representations and warranties that are true and correct as at the date hereof, and that will be true and correct at the Closing Date as if such representations and warranties were made at that time, as follows:

- (a) the Vendors are the legal and beneficial owner of the Shares as set out in Schedule “A” free and clear from any Liens, no person has any option or other right respecting the acquisition or encumbrance of the Shares, and the Vendors have the capacity, power and authority to execute and deliver this Agreement, and to transfer the Shares to the Purchaser and otherwise perform all of the obligations of the Vendors as contemplated herein; and
- (b) there are no agreements or restrictions which would in any way limit or restrict the transfer to or by the Purchaser of the Shares and there are no shareholder’s agreements or other agreements with respect to the voting of the Shares or any of them.

2.2 The Vendors acknowledge that the Purchaser is relying upon the representations and warranties made in Section 2.1 in connection with the transfer of the Shares and the Vendors agree that the representations and warranties made in Section 2.1 shall survive the closing of the transfer of the Shares following the Closing Date.

3. Purchase and Sale

3.1 On the basis of the warranties and representation set forth in Section 2.1 of this Agreement and subject to the terms and conditions of this Agreement, the Purchaser agrees to buy from the Vendors and the Vendors agree to sell to the Purchaser, the Shares on the Closing Date for the Purchase Price.

3.2 The purchase price for the Shares shall be comprised of the Consideration Shares (the “Purchase Price”).

3.3 The Purchaser shall issue to the Vendors an aggregate of 10,000,000 Purchaser Shares, in accordance with Schedule “A”, at a deemed price per share equal to the five-day volume weighted average price (VWAP) of the Purchaser's common shares for the five trading sessions prior to the signing of this Agreement (the “Consideration Shares”).

4. Confirmation of Assignment of Intellectual Property

4.1 The Vendors hereby transfer and assign to the Purchaser in perpetuity all of their right, title and interest, worldwide, in and to the Intellectual Property, including without limitation those assets identified in Schedule “B” hereof, and all other proprietary rights related

thereto, including without limitation all source code, object code, copyrights, trademarks, and patents and design rights (including, without limitation, the right to file patent applications and to claim a right of priority under applicable international conventions), and all other rights that may have accrued or will accrue to them in any capacity relating to the business of the Company, free and clear of all Liens.

4.2 The Vendors hereby waive and agree to waive all moral rights to the Intellectual Property, the right to restrain or claim damages for any distortion, mutilation or other modification of the Intellectual Property or any part thereof, the right, where reasonable in the circumstances, to be associated with the Intellectual Property as an author by name or under a pseudonym, and the right to restrain use or reproduction of the Intellectual Property in any context and in connection with any product or service.

5. Closing

5.1 The sale and purchase of the Shares and the other transactions contemplated by this Agreement shall occur on or about May 31, 2019 or such other date as the parties agree (the "Closing Date"), and nothing will be deemed to be completed on the Closing Date until everything required to be paid, executed, filed, delivered and registered has been so paid, executed, filed, delivered or registered, as applicable.

6. Payment of Purchase Price

6.1 The Purchaser will pay the Purchase Price to the Vendors for all of the Shares.

7. Conditions

7.1 The obligations of the Purchaser to carry out the terms of this Agreement and to complete the purchase referred to in Section 3.1 hereof is subject to the following conditions:

(a) on the Closing Date the warranties and representations of the Vendors as set forth in Section 2.1 of this Agreement are true in every particular way as if such warranties and representations had been made by the Vendors on the Closing Date; and

(b) on or before the Closing Date, the Vendors will have delivered to the Purchaser share certificates representing the Shares, duly endorsed for transfer by the Vendors to the Purchaser, and any medallion guarantee, stock power of attorney or other document necessary to register the Shares and effect the transactions contemplated herein.

7.2 The obligation of the Vendors to carry out the terms of this Agreement and to complete the purchase referred to in Section 3.1 hereof is subject to the Purchaser having delivered to the Vendors the Purchase Price on the Closing Date.

8. Survival of Obligations

8.1 Except as otherwise specifically provided herein, the obligations of the parties arising herefrom will not merge on the Closing Date.

9. Enurement

9.1 This Agreement will enure to the benefit of and be binding upon the parties hereto and their respective successors, heirs, executors, administrators and permitted assigns.

10. General Provisions

10.1 Time is of the essence of this Agreement.

10.2 The parties covenant and agree to execute and deliver all such further documents and instruments and to do all acts and things as may be necessary or desirable to carry out the full intent and meaning of this Agreement, and to ensure delivery to the Purchaser of the Shares and to effect the payment of the Purchase Price to the Vendors.

10.3 This Agreement shall be construed and enforced pursuant to the laws in force in the Province of British Columbia and each of the parties irrevocably attorns to the jurisdiction of the Courts of the Province of British Columbia.

[Signature Page Follows]

10.4 This Agreement may be executed in several counterparts and by facsimile or electronic transmission, each of which will be deemed to be an original and all of which will together constitute one and the same instrument.

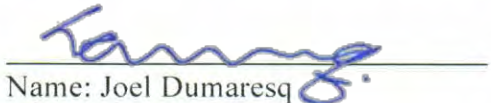
IN WITNESS WHEREOF the parties have executed this Agreement as of the day and year first above written.

TRICHOME CANNABRANDS INC.



Name: Richard Paolone
Title: President, Director

ORGANIC FLOWER INVESTMENTS GROUP INC.



Name: Joel Dumaresq
Title: CEO, Director

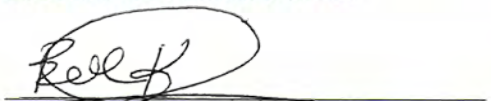
Vendors:

MAROON INVESTMENTS CORP.



Name: Matthew Fish
Title: President

2623269 ONTARIO INC.



Name: William Koble
Title: President

Schedule "A"

List of Vendors

Vendors	Number of Shares to be Sold	Number of Purchaser Shares to be Received
Maroon Investments Corp.	2,000	2,000,000
2623269 Ontario Inc.	8,000	8,000,000
TOTAL	10,000	10,000,000

Schedule "B"

List of Intellectual Property Assets

**TRICHOME CANNABRANDS INC.
TRADEMARK LEDGER**

Trademark	Comments	Application No.	Classes	Status	Trademark Jurisdiction	Date Trademarked
YYZ	Toronto Pearson Airport - ON (CDN)	1959522	3, 5, 9, 10, 16, 18, 25, 29, 30, 31, 34, 35, 39, 42, 44, 45	Filed	Canada	26-Apr-19
YYT	St John's International Airport - NL (CDN)	1959517	3, 5, 9, 10, 16, 18, 25, 29, 30, 31, 32, 33, 34, 35, 39, 42, 44, 45	Filed	Canada	26-Apr-19
YYJ	Victoria International Airport- BC (CDN)	1959521	3,5, 9, 10, 16, 18, 25, 29, 30, 31, 32, 33, 34, 35, 39, 42, 44, 45	Filed	Canada	26-Apr-19
YYC	Calgary International Airport - AB (CDN)	1959524	3, 5, 9, 10, 16, 18, 29, 30, 31, 34, 35, 39, 42, 44, 45	Filed	Canada	26-Apr-19
YWG	Winnipeg International Airport - MB (CDN)	1959518	3, 5, 9, 10, 16, 18, 25, 29, 30, 31, 32, 33, 34, 35, 39, 42, 44, 45	Filed	Canada	26-Apr-19
YVR	Vancouver International Airport - BC (CDN)	1959519	3, 5, 9, 10, 16, 18, 25, 29, 30, 31, 32, 33, 34, 35, 39, 42, 44, 45	Filed	Canada	26-Apr-19
YUL	Montreal International Airport - QB (CDN)	1959525	3, 5, 9, 10, 16, 18, 29, 30, 31, 34, 35, 39, 42, 44, 45	Filed	Canada	26-Apr-19
YQR	Regina Airport Authority - SK (CDN)	1959520	3, 5, 9, 10, 16, 18, 25, 29, 30, 31, 32, 33, 34, 35, 39, 42, 44, 45	Filed	Canada	26-Apr-19
YOW	Ottawa International Airport - ON (CDN)	1959527	3, 5, 9, 10, 18, 29, 31, 34, 35, 39, 42, 44, 45	Filed	Canada	26-Apr-19
YHZ	Halifax Stanfield International Airport - NS (CDN)	1959514	3, 5, 9, 10, 16, 18, 25, 29, 30, 31, 32, 33, 34, 35, 39, 42, 44, 45	Filed	Canada	26-Apr-19
YHM	Hamilton International Airport - ON (CDN)	1959515	3, 5, 9, 10, 16, 18, 25, 29, 30, 31, 32, 33, 34, 35, 39, 42, 44, 45	Filed	Canada	26-Apr-19
YQB	Québec City Jean Lesage International Airport - QB (CDN)	1959516	3,5, 9, 10, 16, 18, 25, 29, 30, 31, 32, 33, 34, 35, 39, 42, 44, 45	Filed	Canada	26-Apr-19
YEG	Edmonton International Airport - AB (CDN)	1959513	3, 5, 9, 10, 16, 25, 29, 30, 31, 32, 33, 34, 35, 39, 42, 44, 45	Filed	Canada	26-Apr-19
SFO	San Francisco International Airport - CA (USA)	1959510	3, 5, 9, 10, 16, 18, 25, 29, 30, 31, 32, 33, 34, 35, 39, 42, 44, 45	Filed	Canada	26-Apr-19
SEA	Seattle Tacoma International Airport - WA (USA)	1959529	3, 5, 9, 10, 16, 18, 25, 30, 31, 32, 33, 34, 35, 39, 42, 44, 45	Filed	Canada	26-Apr-19
ORD	Chicago O'Hare International Airport - IL (USA)	1959509	3, 5, 9, 10, 16, 18, 25, 29, 30, 31, 32, 33, 34, 35, 39, 42, 44, 45	Filed	Canada	26-Apr-19
MIA	Miami International Airport - FL (USA)	1959528	3, 5, 9, 10, 16, 18, 29, 30, 31, 32, 33, 34, 35, 39, 45	Filed	Canada	26-Apr-19
LGA	LaGuardia Airport - NY (USA)	1959508	3,5,9,10, 16, 18, 25, 29, 30, 31, 32, 33, 34, 35, 39, 42, 44, 45	Filed	Canada	26-Apr-19
LAX	Los Angeles International Airport - CA (USA)	1959523	3, 5, 9, 10, 16, 18, 25, 29, 30, 31, 34, 35, 39, 42, 44, 45	Filed	Canada	26-Apr-19
JFK	John F Kennedy International Airport - NY (USA)	1959507	3, 5, 9, 10, 16, 18, 25, 29, 30, 31, 32, 33, 34, 35, 39, 42, 44, 45	Filed	Canada	26-Apr-19
DTW	Detroit Metro Airport - MI (USA)	1959512	3, 5, 9, 10, 16, 18, 25, 29, 30, 31, 32, 33, 34, 35, 39, 42, 44, 45	Filed	Canada	26-Apr-19
DEN	Denver International Airport - CO (USA)	1959511	3, 5, 9, 10, 16, 18, 25, 29, 30, 31, 32, 33, 34, 35, 39, 42, 44, 45	Filed	Canada	26-Apr-19
BOS	Boston Logan International Airport - MA (USA)	1959526	3,5, 9, 10, 16, 18, 25, 29, 30, 31, 34, 35, 39, 42, 44, 45	Filed	Canada	26-Apr-19
416	Greater Toronto Area Code - ON (CDN)	1962297	3,5,9,10,16, 18, 25, 29, 30, 31, 34, 35, 39, 42,44,45	Filed	Canada	10-May-19
905	Greater Toronto Area Code - ON (CDN)	1962307	3,5,9,10,18,29,30,31,34,35,39,42,44,45	Filed	Canada	10-May-19
289	Greater Toronto Area Code - ON (CDN)	1962294	3,5,9,10,16,18, 25, 29, 30,31,32,33,34,35,39,42,44,45	Filed	Canada	10-May-19
438	Montreal Area Code - QB (CDN)	1962298	3,5,9,10,16,18,25,29,30,31,32,33,34,35,39,42,44,45	Filed	Canada	10-May-19
403	Calgary Area Code - AB (CDN)	1962296	3,5,9,10,16,18, 25,29, 31, 34, 35, 39, 42, 44, 45	Filed	Canada	10-May-19
780	Edmonton Area Code - AB (CDN)	1962305	3,5,9, 10, 16, 18, 25, 29, 30, 31, 32, 33, 34, 35, 39, 42, 44, 45	Filed	Canada	10-May-19
604	British Columbia Area Code - BC (CDN)	1962300	3,5, 9, 10, 16, 18, 25, 29, 30, 31, 34, 35, 39, 42, 44,45	Filed	Canada	10-May-19
778	British Columbia Area Code - BC (CDN)	1962304	3,5,9,10,16,18, 25,29,30,31, 32,33,34,35,39, 42,44,45	Filed	Canada	10-May-19
306	Saskatchewan Area Code - SK (CDN)	1962295	3,5,9,10,16,18, 29, 30, 31, 34, 35, 39, 42,44,45	Filed	Canada	10-May-19
613	Ottawa Area Code - ON (CDN)	1962301	3,5,9,10,29,30, 31,32,33, 34,35,39,42, 44, 45	Filed	Canada	10-May-19
705	Barrie Area Code - ON (CDN)	1962302	3,5,9,10,16,18, 29,30,31,32,33,34,35, 39,42,44,45	Filed	Canada	10-May-19
519	London - Windsor Area Code - ON (CDN)	1962299	3,5, 10,18,29,30, 31, 32, 33, 34, 35, 39, 42, 44, 45	Filed	Canada	10-May-19
204	Winnipeg Area Code - MB (CDN)	1962293	3,5,9, 10, 16, 18, 25, 29, 30, 31, 32,33,34, 35, 39,42,44,45	Filed	Canada	10-May-19
902	Halifax Area Code - NS (CDN)	1962306	3,5,9,10,16,18,29, 30,31,32,33,34,35,39,42,44,45	Filed	Canada	10-May-19
519	London-Kitchener-Waterloo (CDN)	1962299	3,5,10,18,29,30,31,32,33,34,35,39,42,44,45	Filed	Canada	10-May-19
709	Newfoundland & Labrador Area Code - NL (CDN)	1962303	3,5,9,10,16,18,29,30,31,32,33,34,35,39, 42,44,45	Filed	Canada	10-May-19
YXX	Abbotsford Airport - BC (CDN)	1965451	3,5,9,10,16,18,25,29,30,31,32,33,34,35,39,42,44,45	Filed	Canada	29-May-19
YAV	St Andrews Airport - WPG, MB (CDN)	1965452	3,5, 9, 10, 16, 18, 25, 29, 30, 31, 32, 33, 34, 35, 39, 42, 44, 45	Filed	Canada	29-May-19
YDT	Boundary Bay Airport - BC (CDN)	1965453	3, 5, 9, 10, 16, 18, 25, 29, 30, 31, 32, 33, 34, 35, 39, 42, 44, 45	Filed	Canada	29-May-19
YLW	Kelowna International Airport - BC (CDN)	1965454	3, 5, 9, 10, 16, 18, 25, 29, 30, 31, 32, 33, 34, 35, 39, 42, 44, 45	Filed	Canada	29-May-19
YQG	Windsor International Airport - ON (CDN)	1965455	3, 5, 9, 10, 16, 18, 25, 29, 30, 31, 32, 33, 34, 35, 39, 42, 44, 45	Filed	Canada	29-May-19
YSB	Greater Sudbury Airport - ON (CDN)	1965456	3, 5, 9, 10, 16, 18, 25, 29, 30, 31, 32, 33, 34, 35, 39, 42, 44, 45	Filed	Canada	29-May-19
BUF	Buffalo Niagara International Airport - BUF, NY (USA)	1965457	3, 5, 9, 10, 16, 18, 25, 29, 30, 31, 32, 33, 34, 35, 39, 42, 44, 45	Filed	Canada	29-May-19
YQT	Thunderbay International Airport - TB - ON (CDN)	1965458	3, 5, 9, 10, 16, 18, 25, 29, 30, 31, 32, 33, 34, 35, 39, 42, 44, 45	Filed	Canada	29-May-19
LHR	Heathrow Airport - Longford (UK)	1965459	3, 5, 9, 10, 16, 18, 25, 29, 30, 31, 32, 33, 34, 35, 39, 42, 44, 45	Filed	Canada	29-May-19
CDG	Charles De Gaulle Airport (FRANCE)	1965460	3, 5, 9, 10, 16, 18, 25, 29, 30, 31, 32, 33, 34, 35, 39, 42, 44, 45	Filed	Canada	29-May-19
BCN	Barcelona Airport (SPAIN)	1965461	3, 5, 9, 10, 16, 18, 25, 29, 30, 31, 32, 33, 34, 35, 39, 42, 44, 45	Filed	Canada	29-May-19
DUB	Dublin Airport (IRELAND)	1965462	3, 5, 9, 10, 16, 18, 25, 29, 30, 31, 32, 33, 34, 35, 39, 42, 44, 45	Filed	Canada	29-May-19
LIS	Lisbon Portella Airport (PORTUGAL)	1965463	3, 5, 9, 10, 16, 18, 25, 29, 30, 31, 32, 33, 34, 35, 39, 42, 44, 45	Filed	Canada	29-May-19
MAN	Manchester Airport (UK)	1965464	3, 5, 9, 10, 16, 18, 25, 29, 30, 31, 32, 33, 34, 35, 39, 42, 44, 45	Filed	Canada	29-May-19
MAD	Madrid Barajas Adolfo Suarez Airport (SPAIN)	1965465	3, 5, 9, 10, 16, 18, 25, 29, 30, 31, 32, 33, 34, 35, 39, 42, 44, 45	Filed	Canada	29-May-19
YXE	Saskatoon John G Diefenbaker International Airport (SK) (CDN)	1965466	3, 5, 9, 10, 29, 30, 31, 32, 33, 34, 35, 39, 42, 44, 45	Filed	Canada	29-May-19
AMS	Amsterdam Airport Schiphol (NETHERLANDS)	1965467	3, 5, 9, 10, 16, 18, 29, 30, 31, 32, 33, 34, 35, 39, 42, 44, 45	Filed	Canada	29-May-19
FRA	Frankfurt Airport (GERMANY)	1965468	5, 9, 10, 16, 18, 25, 29, 30, 31, 32, 33, 34, 35, 39, 42, 44, 45	Filed	Canada	29-May-19

Total: 57 Trademarks