

AGREEMENT FOR PURCHASE AND SALE OF ASSETS

This Agreement For Purchase And Sale Of Assets (“Agreement”) is made as of February 8, 2018, (“Effective Date”), by and between: Calyx Brands, Inc. a Delaware corporation (“Calyx Brands”) and Calyx Distribution a California non-profit mutual benefit corporation (“Calyx”, and together with Calyx Brands, collectively referred to herein as “Selling Parties”) on the one hand; and NH Distribution California, Inc. (“Buyer”), a wholly-owned subsidiary of Nutritional High International, Inc., a corporation formed under the Canadian Business Corporations Act (“Nutritional High”), on the other hand. Buyer and Selling Parties may be referred to individually as a “Party” and collectively as the “Parties.” Nutritional High shall be a party to this Agreement solely for the purposes of guaranteeing all claims, obligations, and liabilities, arising from: (i) those certain obligations pursuant to Sections 2.3, 2.4, 2.5, 2.7, and 11.2; and (ii) those certain representations and warranties set forth in Article 4 of this Agreement.

RECITALS

WHEREAS, Calyx Brands is a Delaware corporation that is in the business of offering certain general business management services (the “Management Services”), and owns certain valuable assets used in the performance of the Management Services;

WHEREAS, Calyx Brands currently has a management agreement with Calyx, a non-profit public benefit corporation organized and operated as a collective of medical marijuana patients under California state law consistent with the Compassionate Use Act of 1997, SB 420, the Attorney General Guidelines of 2008, the Medical Cannabis Regulatory and Safety Act (“MCRSA”), and regulations promulgated by the state and local ordinances permitting and/or regulating cannabis businesses for the purposes of distributing medical marijuana to its collective members (“Business”);

WHEREAS, the common shares of Nutritional High's capital stock are traded on the Canadian Securities Exchange as “EAT” (CSE:EAT), and on the United States OTCQB as “SPLIF” (OTC:SPLIF);

WHEREAS, the State of California, Bureau of Cannabis Control, has recently issued the Medicinal and Adult-Use Cannabis Regulation and Safety Act which allows for the temporary licensing of the Business under a statewide licensing scheme (“State Licensing”);

WHEREAS, Selling Parties are in the process of obtaining various rights and entitlements from the State of California, City of Oakland, under the State Licensing scheme, to distribute cannabis and operate the Business in accordance with current State and local laws, rules and regulations (“Entitlements”);

WHEREAS, Selling Parties have certain inventory, assets, goodwill and Entitlements that they have or will have associated with the Business that they desire to sell to Buyer, and that Buyer desires to buy from Selling Parties;

WHEREAS, on October 27, 2017, Nutritional High, Buyer, and Selling Parties entered into that certain Nonbinding Letter of Intent, amended as of November 27, 2017 (the "Letter of Intent"), setting forth the general terms and conditions for the purchase and sale of the Assets, pursuant to a definitive purchase agreement, represented by this Agreement; and

WHEREAS, Buyer desires to purchase from Selling Parties and Selling Parties desire to sell to Buyer, on the terms and subject to the conditions of this Agreement and for the consideration described in Section 2.3 below, the Assets of Seller as further described in Section 2.1, below.

OPERATIVE PROVISIONS

NOW, THEREFORE, in consideration of the mutual covenants, agreements, representations and warranties contained in this Agreement, the Parties agree to enter into this transaction based upon the following recitals, terms and conditions.

ARTICLE 1

DEFINITIONS

1.1. **Definitions.** As used in this Agreement, the following defined terms have the following meanings:

“Closing Share Price” is defined as the final price at which Nutritional High International Inc. (CSE: EAT) is traded on a given trading day at the close of trading.

“Exchange Rate” is defined as the price to buy or sell a specified amount of United States Dollars on a fixed date and at the rate posted by the Royal Bank of Canada at 12:00 pm, Eastern Time.

“Encumbrance” means any lien, pledge, hypothecation, charge, mortgage, deed of trust, security interest, encumbrance, claim, infringement, option, right of first refusal, preemptive right, community property interest, or restriction of any nature on any asset.

“Entity” means a Person other than an individual.

“Governmental Authority” means any federal, state, local, or foreign court, administrative agency or commission, or other governmental authority or instrumentality.

“Intellectual Property Rights” means, collectively, all of the following worldwide intangible legal rights, acquired by ownership, license, or other legal operation: (1) all patents, patent applications, and patent rights, including all continuations, continuations-in-part, divisions,

reissues, reexaminations, and extensions of them, (2) all trademarks, trade names, logos, and service marks, registered or not; (3) all rights associated with works of authorship, including copyrights (registered or not), copyright applications, copyright registrations, moral rights, mask work rights, mask work applications, and mask work registrations; (4) all inventions (patentable or not), know-how, show-how, formulas, processes, techniques, confidential business information, trade secrets, and other proprietary information, technology, and intellectual property rights; and (5) all rights to sue or make any claims for any past, present or future misappropriation or unauthorized use of any of the foregoing rights and the right to receive income, royalties, damages or payments that are now or will later become due with regard to the foregoing rights.

“Inventory” is defined as goods, materials and finished goods and supplies and works in process that a business holds for the ultimate purpose of resale, for which any adjustments to the Purchase Price pursuant to Section 2.3.4 shall be calculated based upon an Inventory of Sixty-Three Thousand Dollars and No Cents (USD \$63,000.00).

“Net Working Capital” is defined as the difference between the aggregate cumulative total of both Selling Parties' accounts receivable, accrued revenue, and accounts payable, accrued expenses, which include, but are not limited to, vendor payments, employee expenses for contributions, accrued vacation pay, and any amounts due on termination including but not limited to payroll liabilities due on termination or in the regular course of employment, but excluding those certain debts and obligations owed to (i) TAR, LLC, a Georgia limited liability company, and (ii) David Ominsky, for which any adjustments to the Purchase Price shall be calculated based upon a Net Working Capital of negative One Hundred Thirty One Thousand One Hundred Eighty One Dollars and No Cents (USD -\$131,181.00).

“Person” means any individual, partnership, estate, trust, company (including any limited liability company), firm, or other enterprise, association, organization, or Governmental Authority.

“Proceeding” means any claim, forfeiture proceeding, action, suit, investigation, or administrative or other proceeding before any Governmental Authority or any arbitration or mediation.

"Shareholder" means Stephen J. Sullivan, Chief Executive Officer of Calyx Brands.

“Taxes” means any and all federal, state, local or foreign taxes, assessments, and other governmental charges, duties, impositions and liabilities relating to taxes of any kind, together with all interest, penalties and additions imposed with respect to such amounts.

1.2. Additional Definitions. Other capitalized terms defined elsewhere in this Agreement and not defined in this Article I shall have the meanings assigned to such terms in this Agreement in the sections set forth below.

Term	Section
Agreement	Preamble
Assets	2.1
Associated Signature(s)	16.7
Business	Recitals
Buyer's Note	2.3.3
Calyx	Preamble
Calyx Brands	Preamble
Closing	9.1
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Current Premises	3.7.1.1
Effective Date	Preamble
Entitlements	Recitals
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Excluded Assets	2.2
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Income Tax	2.7
Income Tax Payment	2.7
Letter of Intent	Recitals
Loss	10.1
Management Services	Recitals
MCRSA	Recitals
Nutritional High	Preamble
Nutritional High Shares	2.8.3
Nutritional High Stock Certificates	2.3.2
Post-Closing Financial Commitment	11.2
Prior Premises	3.7.1.3
Purchase Price	2.3
Selling Parties	Preamble
Shares	3.2.1
State Licensing	Recitals

ARTICLE 2

PURCHASE AND SALE OF ASSETS

2.1. **Sale and Transfer of Assets.** Subject to the terms and conditions set forth in this Agreement, at the Closing, Selling Parties will sell, convey, transfer, assign, and deliver to Buyer, and Buyer will purchase from Selling Parties, Selling Parties' entire rights and title to, and interest in, the assets set forth on Schedule 2.1 (all of which are sometimes collectively referred to as the "Assets"), and except as set forth in the Disclosure Schedules, free and clear of all Encumbrances, including the following:

- (i) Net Working Capital;

- (ii) Inventory;
- (iii) All equipment, machinery, furniture, and motor vehicles;
- (iv) All real property, and all buildings, fixtures and improvement thereon;
- (v) All claims and rights under leases, contracts, insurance policies, notes, evidences of indebtedness, and purchase and sales orders;
- (vi) All software programs and software code;
- (vii) All copies and tangible embodiments of the software programs and software code (in source and object code form), together with all documentation related to such programs and code;
- (viii) All Intellectual Property Rights exercisable or available in any jurisdiction of the world, and the exclusive right for Buyer to hold itself out to be the successor to the business of Selling Parties;
- (ix) All licenses to assets and properties of third parties (including licenses with respect to Intellectual Property Rights owned by third parties);
- (x) All claims rights causes of action of Buyer against third parties to the extent relating to the Assets including, but not limited to, royalty rights, deposits, and rights and claims to refunds (including Tax refunds) and adjustments of any kind (including rights to set-off and recoupment), and insurance proceeds except those relating to the Excluded Assets;
- (xi) All Internet domain names and registrations that are held or owned by Selling Parties;
- (xii) All Entitlements, permits, licenses, agreements, waivers, and authorizations from, issued, or granted by any Governmental Authority or in the application process;
- (xiii) True and complete copies of all Selling Parties' business records, including general and financial records, marketing and sale information, and plans, pricing, and customer lists; and
- (xiv) All goodwill associated with Selling Parties' business and the Assets.

(xv) all cash and cash equivalents;

2.2. **Excluded Assets.** For the avoidance of doubt, and notwithstanding anything to the contrary contained herein, the following assets are not included in the Assets being sold to Buyer hereunder (such assets being collectively referred to herein as the “Excluded Assets”):

(i) this Agreement and Selling Parties' rights and obligations hereunder or under any other agreement between any Selling Party, on the one hand, and Buyer, on the other hand, entered into on or after the Closing Date;

(ii) the personal property of any of Selling Party's officers, directors employees, contractors, or Shareholder, if used by such parties in the undertaking of Selling Parties' Business, as set forth on Schedule 2.2(ii);

(iii) the corporate seals, Articles of Incorporation, Bylaws, minute books, stock books, Tax Returns, books of account or other records relating solely to the organization, Taxes and finances of Selling Parties, and personnel files and copies of employee records required by law to be retained by Selling Parties; provided, however, that copies of the foregoing items relating to the operation of the Business shall be provided by Selling Parties to Buyer; and

(iv) all claims, rights and causes of action of Selling Parties against third parties to the extent relating to the Business or Assets for all periods prior to the Closing Date and those relating solely to any other Excluded Assets;

(v) all capital and outstanding shares of stock of Selling Parties;

2.3. **Consideration From Buyer at Closing.** As payment for the transfer of the Assets to Buyer, Buyer, or Buyer will cause Nutritional High to, deliver to Selling Parties at the Closing, in accordance with the provisions of Section 9.3, the following (collectively, the “Purchase Price”):

2.3.1. **Payment by Check.** A bank cashier’s check, payable to the order of Calyx Brands, Inc. in the amount of Four Hundred Thousand Dollars and No Cents (USD \$400,000.00) clearinghouse funds.

2.3.2. **Payment by Nutritional High Stock.** Stock certificates of Nutritional High common stock issued to Calyx Brands evidencing shares of Nutritional High stock, the value of which shall be equal to the consideration of Four Hundred Thousand Dollars and No Cents (USD \$400,000.00) (the "Nutritional High Stock Certificates"), as determined by dividing the lesser of (i) CAD \$0.255, calculated into United States Dollars at the Exchange Rate on the Closing Date; or (ii) the average Closing Share Price for the three (3) days immediately preceding the Closing Date.

2.3.3. Payment by Note; Security or Shares of Buyer's Stock. Buyer's promissory note secured by the Assets, dated as of the Closing Date, which identifies the amount payable six (6) months from the Closing Date of the principal amount of Nine Hundred Fifty Thousand Dollars and no cents (USD \$950,000.00) or, at Selling Parties' election, and in lieu of any obligations set forth in a promissory note, an amount of Nutritional High shares of common stock (the "Secondary Issuance Shares"); provided there are no applicable adjustments in accordance with Section 2.3.4. In the event there are required adjustments, such adjustments will be in addition or subtracted from such Nine Hundred Fifty Thousand Dollars and No Cents (USD \$950,000.00). Selling Parties may either elect to receive a portion of the Nine Hundred Fifty Thousand Dollars and No Cents (USD \$950,000.00) due and payable by (i) indicating the amount of the Secondary Issuance Shares it would like to receive prior to the Closing Date which will be calculated by converting CAD \$0.255 into United States Dollars, at the Exchange Rate on the Closing Date, into an amount of funds of up to Nine Hundred Fifty Thousand Dollars and No Cents (USD \$950,000.00), or (ii) if Selling Parties did not identify a specific amount of the Secondary Issuance Shares it would like to receive prior to the Closing Date, an amount of the Secondary Issuance Shares the Selling Parties later indicate calculated by dividing the Closing Share Price three (3) days immediately preceding the Closing Date into a maximum amount of Nine Hundred Fifty Thousand Dollars and No Cents (USD \$950,000.00), and the balance of up to Nine Hundred Fifty Thousand Dollars and No Cents (USD \$950,000.00) in clearinghouse funds, which shall be set forth in the Buyer's Note, as defined hereinbelow. The Secondary Issuance Shares will be priced at the Exchange Rate on the date of purchase. The Secondary Issuance Shares will be issued to Calyx Brands, Inc. The note must be in the form of Exhibit "A" (the "Buyer's Note").

2.3.4. Payment for Fluctuating Assets. The Payment to Selling Parties set forth in Section 2.3.3 will be adjusted: (1) on a dollar-for-dollar basis for any decrease of the Net Working Capital as of Closing Date; (2) reduced on a dollar-for-dollar basis for any decrease of the value of the Inventory that is less than Sixty Thousand Dollars and No Cents (\$60,000.00). The Payment to Selling Parties set forth in Section 2.3.3 will be adjusted on a dollar-for-dollar basis for the total amount of accounts receivable that were billed as of the Closing Date but remain uncollected as of the date the payment is due in accordance with Section 2.3.3.

(i) Schedule 2.3.4(i) sets forth all accounts receivable and their amounts, together with a correct and complete aging of these accounts as of December 31, 2017.

(ii) Schedule 2.3.4(ii) sets forth all Inventory of Selling Parties, and the cost of each of these items, as of December 31, 2017.

2.4. Assumption of Liabilities. From and after the Closing, Buyer will assume all of Selling Parties' rights and obligations arising after the Closing under those contracts (and only those contracts) listed and marked with an asterisk in Schedule 2.1; provided, that Buyer will not be obligated to assume any such contract for which assignment to Buyer requires the consent of the other party to such contract unless such consent has been obtained in writing and delivered to Buyer on or before the Closing Date. Selling Parties shall remain liable for all obligations arising under such

contracts before the Closing. Selling Parties will have the right to require Buyer to complete any sales order not assumed by Buyer in that exhibit for Selling Parties' account at a price to Selling Parties equal to Buyer's cost. It is expressly understood and agreed that Buyer will not be liable for any of the debts, obligations, or liabilities of Selling Parties of any kind other than those specifically assumed by Buyer under this paragraph and that Selling Parties shall remain liable and responsible for any and all of its debts, obligations, and liabilities not expressly assumed by Buyer under this Agreement.

2.5. **Earn-Out.** The shareholders of Selling Parties are eligible to receive additional payments after the Closing of this Agreement, pursuant to that certain Earn-Out Agreement by and between the shareholders of Selling Parties and Purchaser, in the form attached hereto as Exhibit "B".

2.6. **Allocation of Purchase Price.**

2.6.1. The Purchase Price will be allocated among the Assets as set forth in Schedule 2.6.1.

2.6.2. Each of the Parties agrees to report the transactions contemplated by this Agreement for all Tax purposes (including in Tax returns) in a manner that is consistent with the foregoing allocation of the Purchase Price and not to take any position inconsistent with such allocation in any Tax return, refund claim, or any litigation relating to Taxes.

2.7. **Excise, Income, and Property Taxes.** Buyer will pay all sales, use, and similar Taxes arising from the transfer of the Assets and will pay Seller Parties' portion, prorated as of the Closing Date, of state and local real and personal property Taxes of the business. Buyer will not be responsible for any business, occupation, withholding, or similar Tax, or any Taxes of any kind incurred by Selling Parties related to any period before the Closing Date. Selling Parties will prepare and file all forms required by any and all Governmental Authorities relating to the taxes on Selling Parties income for 2017 ("Income Taxes"), for which Buyer, on behalf of Selling parties, may pay at the direction of Shareholder (the "Income Tax Payment"). The Income Tax Payment made by Buyer on behalf of Selling Parties, if any, will be deducted dollar-for-dollar from the amount due under the Buyer's Note. Upon Buyer's payment in full of the Buyer's Note, Buyer will have no further obligation to pay any other amount related to the Income Taxes, including but not limited to, late fees, penalties, or fines associated with the Income Taxes. Except as otherwise set forth in this Agreement, Selling Parties agree to indemnify, defend, and hold Buyer harmless from and against any liability for, or arising from, (i) any Taxes that are required to be paid by Selling Parties under this paragraph, or (ii) amounts due that exceed the Income Tax Payment Buyer paid on Selling Parties behalf, if any, or any penalties, interest or fees arising from 2017 income taxes for which Buyer is not responsible under this Section 2.7.

2.8. **Legends.**

2.8.1. Selling Parties consent to the placement of a legend or legends on any certificate or other document evidencing any of the Nutritional High Stock Certificates to be issued pursuant to Section 2.3.2 herein or Secondary Issuance Shares potentially issued pursuant to Section 2.3.3 setting forth or referring to the restrictions on transferability and sale thereof contained in this Agreement, with such legend(s) to be substantially as follows:

THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), NOR APPLICABLE STATE SECURITIES LAWS AND SUCH SECURITIES MAY NOT BE OFFERED FOR SALE, PLEDGED, SOLD, TRANSFERRED OR ASSIGNED IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR (B) AN OPINION OF COUNSEL (WHICH COUNSEL SHALL BE SELECTED BY THE HOLDER), IN A GENERALLY ACCEPTABLE FORM, THAT REGISTRATION IS NOT REQUIRED UNDER SAID ACT OR PURSUANT TO RULE 144 OR RULE 144A UNDER SAID ACT, OR OTHERWISE.

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THIS SECURITY BEFORE THE DATE THAT IS [4 months and a day after the distribution date].

2.8.2. Selling Parties understand that Nutritional High's shares of common stock have not been registered under the U.S. Securities Act of 1933, as amended (the "U.S Securities Act"), and, such Selling Parties will not sell, offer to sell, assign, pledge, hypothecate or otherwise transfer any of the Nutritional High Stock Certificates unless pursuant to an effective registration statement filed by Nutritional High for its common stock, or unless an exemption from registration is available.

2.8.3. Buyer has advised Selling Parties that Buyer is relying on an exemption from the requirements to provide Selling Parties with a prospectus and to sell the Nutritional High Stock Certificates or the Secondary Issuance Shares (collectively referred to herein as the "Nutritional High Shares") through a person registered to sell securities under provincial securities legislation and other applicable securities laws, as a consequence of acquiring the Nutritional High Shares pursuant to such exemption, certain protections, rights and remedies provided by the applicable securities legislation including the various provincial securities acts, including statutory rights of rescission or damages, will not be available to Selling Parties.

2.8.4. Selling Parties have not received or been provided with a prospectus, offering memorandum, within the meaning of the Securities Laws, or any sales or advertising literature in

connection with the issuance of the Nutritional High Shares, and Selling Parties' decision to receive such Nutritional High Shares was not based upon, and Selling Parties have not relied upon, any verbal or written representations as to facts made by or on behalf of Buyer.

2.8.5. No securities commission or similar regulatory authority has reviewed or passed on the merits of any the common stock of Nutritional High.

2.8.6. There are restrictions on Selling Parties' ability to resell the Nutritional High Shares and it is the responsibility of Selling Parties to find out what those restrictions are and to comply with such restrictions before selling any of the Nutritional High Shares; provided, however, this Section 2.8.6 shall be qualified by the last sentence of Section 2.8.5, above.

2.8.7. Selling Parties acknowledge that the Nutritional High Shares are speculative in nature and that there are risks associated with the purchase of Nutritional High Shares and Selling Parties have such knowledge, sophistication and experience in business and financial matters as to be capable of evaluating the merits and risks of its investment in the Nutritional High Shares, and fully understand the speculative nature of the Nutritional High common stock and are able to bear the economic risk of loss of their entire investment.

ARTICLE 3

WARRANTIES OF SELLING PARTIES

Except as set forth in the schedules attached hereto and referenced in the applicable section of this Agreement (the "Disclosure Schedules"), Selling Parties, jointly and severally, warrant that:

3.1. **Organization, Standing, and Qualification of Selling Parties.**

3.1.1. **Calyx.** Calyx is duly organized, validly existing, and in good standing under the laws of California and has all necessary corporate powers to operate its business as now owned and operated by it. Neither the ownership of its properties nor the nature of its business requires Calyx to be qualified to do intrastate business as a foreign corporation in any other jurisdiction.

3.1.2. **Calyx Brands.** Calyx Brands is duly organized, validly existing, and in good standing under the laws of Delaware, is duly qualified to do intrastate business as a foreign corporation, and is in good standing in California. These are the only jurisdictions in which a failure to be so qualified would have a material adverse effect on Calyx Brands.

3.1.3. **Corporate Structure.** Selling Parties are not an S Corporation as defined in §1361 of the Internal Revenue Code of 1986, as amended.

3.2. **Stock of Selling Parties.**

3.2.1. **Capital Structure.** The authorized capital stock of Calyx Brands consists entirely of (i) 1,975,000 preferred shares, of which a total of 1,382,308 shares are issued and outstanding, and (ii) 22,500,000 common shares, of which a total of 7,044,682 shares are issued and outstanding (collectively, the “Shares”). Except as set forth in the Disclosure Schedule as Schedule 3.2.1, all of the Shares are validly issued, fully paid, and non-assessable, and have been so issued in full compliance with all federal and state securities laws. There are no outstanding subscriptions, options, rights, warrants, convertible securities, or other agreements or commitments obligating Calyx Brands to issue or transfer any additional shares of its capital stock of any class or series, or any other securities that might ultimately entitle any person to purchase or otherwise acquire any shares of its capital stock of any class or series.

3.2.2. **Title to Shares.** The shareholders identified on Schedule 3.2.2 are the owners, beneficially and of record, of all the issued and outstanding Shares of Calyx Brands, free and clear of all options, warrants, rights of refusal, preemptive rights, claims, charges, and other Encumbrances.

3.2.3. **Ownership of Calyx.** Calyx is owned by its members identified on Schedule 3.2.3.

3.2.4. **Subsidiaries.** Except as set forth in the Disclosure Schedules as Schedule 3.2.4, Selling Parties do not own, directly or indirectly, any interest or investment (whether equity or debt) in any Entity.

3.3. **Financial Statements.** Selling Parties have devised and maintained for itself a system of internal accounting controls sufficient to provide reasonable assurances that:

(i) Transactions are executed in accordance with management’s general or specific authorization;

(ii) Transactions are recorded as necessary:

(a) To permit preparation of financial statements in conformity with generally accepted accounting principles; and

(b) To maintain accountability for assets.

(iii) The amount recorded for assets on the books and records of Selling Parties is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

3.4. **Absence of Changes in Selling Parties.** Since December 31, 2017, there has not been any change in the financial condition or operations of Selling Parties, except changes in the ordinary course of their respective businesses, which have not in the aggregate been materially adverse to their respective financial condition, liabilities, assets, business, results of operations.

3.5. **Debts, Obligations and Liabilities of Selling Parties.** Schedule 3.5 contains a complete and accurate list, description, and schedule of all of the outstanding debts, liabilities, and pecuniary obligations of Selling Parties to pay money to any third party, including any obligation to pay rent or a similar payment under any existing contract or obligation of Selling Parties. Selling Parties do not have any material debts, liabilities, or obligations of any nature, whether accrued, absolute, contingent, or otherwise, and whether due or to become due, that are not set forth in Schedule 3.5.

3.6. **Tax Returns and Audits.** Except as set forth on Schedule 3.6, within the times and in the manner prescribed by law, Selling Parties have filed all federal, state, and local Tax returns required by law and have paid in full all taxes, assessments, penalties, and interest due and payable, including all sales, use, and similar Taxes, and all payroll and withholding Taxes or similar payments required to be withheld and paid by Selling Parties to any Tax authority. The provisions for Taxes reflected in Selling Parties' consolidated balance sheet as of September 30, 2017 are adequate and fair for federal, state, county, and local Taxes for the period ending on the date of that balance sheet and for all prior periods, disputed or undisputed. Except as set forth on Schedule 3.6: (i) there are no present disputes about Taxes of any nature between Selling Parties, on the one hand, and any Tax authority, on the other; (ii) neither the Internal Revenue Service nor any other Tax authority has audited, or is in currently auditing, any Tax return of either Selling Parties. Selling Parties do not have in effect any extension of time to file any Tax return; (iii) no state or other jurisdiction (including any local Governmental Authority) with which Selling Parties have filed Tax returns have not asserted that Selling Parties are subject to Taxation by such jurisdiction; and (iv) no Tax authority has imposed or asserted any Encumbrances on any of the assets or properties of Selling Parties, other than liens on real property for Taxes that are not yet due. Selling Parties have delivered to Buyer true, correct, and complete copies of all Tax returns of Selling Parties that have timely been filed for as required by State and Federal Law.

3.7. **Assets of Business.**

3.7.1. **Real Property.**

3.7.1.1. **Listed or Described.** Schedule 3.7.1.1 to this Agreement is a complete list of all real property owned by, leased to, or occupied and used by Selling Parties ("Current Premises").

3.7.1.2. **Zoning.** The zoning and laws of each jurisdiction of each parcel of real property described in Schedule 3.7.1.1 permits the presently existing buildings, fixtures, and other improvements and the operation and continuation of the business presently being conducted on such parcel. Selling Parties have not commenced, nor have Selling Parties received notice of the commencement of, any proceeding that would affect the present zoning classification or continued operation of the business at any such parcel.

3.7.1.3. **Hazardous Materials.** To the actual knowledge of Selling Parties, and each of them, none of the Current Premises, and none of the prior facilities or sites at which Selling Parties or any of their predecessors have conducted their respective businesses (each a "Prior Premises") is (and with respect to each such Prior Premises was, when the last of Selling

Parties or their predecessors last left such Prior Premises) in violation of any Environmental Law (as defined below), with regard to disposal of Hazardous Materials (as defined below) or the environmental conditions on or under such properties or facilities, including soil and groundwater conditions. During the time Selling Parties or their predecessors-in-interest have owned, leased or occupied the Current Premises or any Prior Premises, neither any of Selling Parties, nor any of their predecessors-in-interest, have used, generated, manufactured, or stored on or under, or transported to or from, any part of the Current Premises or the Prior Premises, any Hazardous Materials (as defined below) in violation of any Environmental Law, nor has there been any storage, use, processing, treatment, manufacture, disposal, spillage, discharge, release, or threatened release of any Hazardous Material on, from, or under any part of the Premises or the Prior Premises. To the actual knowledge of any of Selling Parties, there is no reasonable basis to believe that Selling Parties' business or the business of any of Selling Parties' predecessors has been conducted or is being conducted in violation of any Environmental Law. There is not pending against Selling Parties or any of their predecessors, any Proceeding that asserts liability against any of such Persons, or seeks an injunction or decree against any of such Persons, under any Environmental Law. Selling Parties are not presently obligated under any judgment, order, or decree of any Governmental Authority that relates to Environmental Laws.

3.7.1.4. "Environmental Law" means all federal, state, local, and foreign laws and regulations, relating to pollution, the protection of human health, or the environment, including ambient air, surface water, ground water, land surface, or subsurface strata, including those regulations relating to the emission, discharge, release or threatened release, manufacture, processing, distribution, use, treatment, storage, disposal, transport, or handling of Hazardous Materials.

3.7.1.5. "Hazardous Material" means any pollutant, contaminant, toxic, hazardous, or noxious substance or waste that is, or becomes before Closing, regulated by any Governmental Authority under any Environmental Law, including (1) oil or petroleum compounds, flammable substances, explosives, radioactive materials, or other materials that pose a hazard to human beings or cause any real property to be in violation of any Environmental Law; (2) to the extent regulated, asbestos and asbestos-containing materials; (3) any materials regulated under the Toxic Substance Act (15 USC §2601), (4) any materials designated as "hazardous substances" under the Clean Water Act (33 USC §1251), or under the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 USC §9601), and (5) any "hazardous waste" under Resource Conservation and Recovery Act (42 USC §6901).

3.7.1.6. To Selling Parties' actual knowledge: (i) there are no underground storage tanks located on the real property described in Schedule 3.7.1.1 in which any Hazardous Material, as defined below, is being or has been stored, nor has there been any spill, disposal, discharge, or release of any Hazardous Material into, on, from, or over that real property or into or on ground or surface water on that real property and currently there are no Hazardous Materials on or in the land occupied by or groundwater under, the Current Premises; and (ii) there are no asbestos-containing materials incorporated into the buildings or interior improvements that are part of that real property, or into other assets of Selling Parties, and there is no electrical transformer, fluorescent light fixture with ballasts, or other equipment containing PCBs on that real property.

3.7.2. Inventory. The Inventories shown on the Selling Parties' consolidated balance sheet as of September 30, 2017, included in the financial statements, consist of items of a quality and quantity usable and salable in the ordinary course of business by Selling Parties. All items included in the inventories are the property of Selling Parties, except for sales made in the ordinary course of business since the date of the balance sheet. For each of these sales, either the purchaser has made full payment or the purchaser's liability to make payment is reflected in the books of Selling Parties as a receivable. Except as set forth on Schedule 3.7.2, no item included in the inventories is subject to any Encumbrance or is held by Selling Parties on consignment from others. The inventories shown on all the consolidated balance sheets included in the financial statements are based on quantities determined by physical count or measurement, taken within the preceding twelve (12) months, and are valued at the lower of cost (determined on a first-in, first-out basis) or market value and on a basis consistent with that of prior years.

3.7.3. Other Tangible Personal Property. Schedule 2.1 to this Agreement is a complete and accurate schedule describing and specifying the location of all trucks, automobiles, vehicles, machinery, equipment, furniture, fixtures, supplies, drawings, and all other tangible personal property owned by, in the possession of, or used by Selling Parties in connection with their respective businesses, except the Inventories, and the Excluded Assets. The property listed in Schedule 2.1 constitutes all such tangible personal property necessary for the conduct by Selling Parties of their respective businesses as now conducted, except for the Excluded Assets. Except as stated in Schedule 2.2(ii) and Schedule 3.7.3, no personal property used by either Selling Parties in connection with its business is held under any lease or subject to any Encumbrance, is held by Selling Parties on consignment from others, or is located at any location other than one in the direct and actual possession of Selling Parties.

3.7.4. Accounts Receivable. All accounts receivable of Selling Parties shown on the consolidated balance sheet of Selling Parties as of December 31, 2017, and all accounts receivable of Selling Parties created after that date arose from valid sales in the ordinary course of business. These accounts are collectible at their full amounts when due.

3.7.5. Intellectual Property. The Assets include all Intellectual Property Rights necessary for Buyer to use the Assets without the need for any license from any Person, except as set forth on Schedule 3.7.5. The past conduct by Selling Parties of their businesses and the use of their Assets in the conduct of such businesses do not infringe on any Intellectual Property Rights of any third party, and no third party has, to the actual knowledge of Selling Parties, or any of them, asserted or threatened to assert against Selling Parties any claim of infringement of Intellectual Property Rights. Except as set forth in Schedule 3.7.5: (i) Selling Parties owns or has the right under license to make, use, sell, offer to sell, import, export, copy, publicly display, publicly perform, create derivative works of, distribute, license, and bring actions for the infringement of the Assets and all Intellectual Property Rights associated with them; (ii) Selling Parties, or any of them, have not granted any third party any outstanding licenses or other rights to any of the Assets; (iii) none of the Assets is held or used under a license or similar grant of rights by any third party; (iv) Selling Parties, or any of them, are not liable for, nor have made any contract or arrangement by which it may become liable to, any Person for any royalty, fee, or other compensation for the ownership, use, license, sale, offer of sale, distribution, manufacture, import,

export, reproduction, distribution, public display, public performance of, or creation of derivative works based on or disposition of any of the Assets. All employees, contractors, and consultants of Selling Parties and any other third parties who have been involved in the development of any Intellectual Property Rights owned by Selling Parties or any Asset have executed invention assignment agreements in the form(s) delivered to Buyer's counsel and all such employees and consultants who have access to confidential information or trade secrets of the business or that relate to Assets have executed appropriate nondisclosure agreements in the form(s) delivered to Buyer's counsel. Selling Parties have taken reasonable steps, consistent with industry standards, to protect the secrecy and confidentiality of the Assets.

3.7.6. Other Intangible Property. Schedule 3.7.6 to this Agreement is a complete and accurate list of all intangible assets, other than those specifically referred to elsewhere in this Agreement.

3.8. Title to Assets; Sufficiency of Assets. Except as set forth in Schedule 3.8, Selling Parties have good and marketable title in and to all of the Assets free and clear of all Encumbrances. All real property and tangible personal property of Selling Parties that are necessary to the operation of their businesses are in good operating condition and repair, ordinary wear and tear excepted. The Assets constitute all assets, properties, rights, and Intellectual Property Rights that are necessary or required to enable Buyer, following the Closing, to own, conduct, operate, and maintain the Selling Parties' business as historically conducted or as proposed to be conducted without: (1) the need for Buyer to acquire or license any other asset, property or Intellectual Property Right, (2) the breach or violation of any contract or commitment to which any of the Selling Parties is bound or to which any of the Assets is subject; or (3) infringement of any Intellectual Property Right of any other Person.

3.9. Customers and Sales. Schedule 3.9 to this Agreement is a correct and current list of all customers of Selling Parties with which Selling Parties has consummated sales of at least \$2,000 in the aggregate in the one year before the date of this Agreement together with summaries of the sales made to each customer during Selling Parties' most recent fiscal year. Except as indicated in Schedule 3.9, Selling Parties have no information, or are aware of any facts, indicating that any of these customers intends to cease doing business with Selling Parties or materially alter the amount of the business such customer is presently doing with Selling Parties.

3.10. Employment Contracts and Benefits. Schedule 3.10 to this Agreement is a list of all Selling Parties' employment contracts, bonus, profit-sharing, stock option plans, or other agreements providing for employee remuneration or benefits, copies of which have been furnished or made available to Buyer. To the actual knowledge of Selling Parties', Selling Parties are not in default under any of these agreements, nor has any event occurred that with notice, lapse of time, or both, would constitute a default by Selling Parties under any of these agreements, except as set forth in Schedule 3.10.

3.11. Insurance Policies. Selling Parties have maintained and now maintain (1) insurance on all their assets and businesses of a type customarily insured, covering property damage and loss of income by fire or other casualty, and (2) adequate insurance protection against all liabilities, claims, and risks against which it is customary to insure. Selling Parties are not in

default with respect to payment of premiums on any such policy. Except as set forth in Schedule 3.11, no claim is pending under any such policy.

3.12. **Other Contracts.** Selling Parties are not a party to, nor is the property of Selling Parties bound by, any distributor's or manufacturer's representative or agency agreement; any output or requirements agreement not entered into in the ordinary course of business; any indenture, Encumbrance, or lease; or any agreement that is unusual in nature, duration, or amount (including any agreement requiring the performance by Selling Parties of any obligation for a period of time extending beyond one year from Closing Date or calling for consideration of more than \$10,000); except the agreements listed in Schedule 3.12, copies of which have been furnished or made available to Buyer. There is no default or event that, with notice or lapse of time or both, would constitute a default by any of Selling Parties to any of these agreements, except as listed in Schedule 3.12. Selling Parties has not received notice that any party to any of these agreements intends to cancel or terminate any of these agreements or to exercise or not exercise any options under any of these agreements. Selling Parties are not a party to, nor is either or the property of either bound by, any agreement that is materially adverse to the businesses, properties, or financial condition of Selling Parties.

3.13. **Compliance With Laws.** Selling Parties have not received any notices of any violation of any applicable federal, state, or local statute, law, or regulation, and each in addition represents and warrants, to Selling Parties' knowledge:

(i) Selling Parties have complied in all material respects with all federal, state, and local Environmental Laws and have not been cited for any violation of them. No material capital expenditures will be required to conduct the businesses now conducted by Selling Parties in full compliance with all applicable Environmental Laws. There is no pending audit known to Selling Parties or any of their officers by any Governmental Authority with respect to groundwater, soil, or air monitoring; the storage, burial, release, transportation, or disposal of Hazardous Material; or the use of underground storage tanks by Selling Parties or relating to the Current Premises or Prior Premises. Selling Parties have no agreement with any third party or any Governmental Authority relating to any such environmental matter or cleanup.

(ii) Selling Parties have complied in all material respects with all requirements of the Occupational Safety and Health Act and its California equivalents and regulations promulgated under any such legislation, and with all orders, judgments, and decrees of any tribunal under such legislation that apply to the businesses or properties of Selling Parties.

(iii) Selling Parties are not in violation of any provision of the Export Administration Act of 1979 or the Foreign Corrupt Practices Act of 1977.

(iv) Selling Parties have not directly or indirectly paid or delivered any fee, commission, or other money or property, however characterized, to any finder, agent, government official, or other Person, in the United States or any other country, that is in any manner related to the business or operations of Selling Parties and that Selling Parties know or have reason to believe to have been illegal under state, or local law of the State of California of the United States or any

other country having jurisdiction. Selling Parties, or any of them, have not participated, directly or indirectly, in any boycott or other similar practice affecting any of its actual or potential customers.

(v) Selling Parties have complied in all material respects with all applicable state, and local statutes, laws, or regulations (including any applicable building, zoning, Environmental Laws, or other law, ordinance, or regulation) affecting the business or properties of either of them, or the operation of their businesses.

3.14. **Litigation.** Except as set forth in Schedule 3.14, there is no pending, or, threatened proceeding against or affecting Selling Parties, or any of their businesses, assets, or financial condition. The matters set forth in Schedule(s) 3.14, if decided adversely to Selling Parties, will not result in a material adverse change in the business, assets, or financial condition of Selling Parties or adversely affect Buyer's ability to use or commercially exploit the Assets. There is not pending against Selling Parties, any of its assets or the business of either, any judgment, order, writ, injunction, or decree of any state, local, or foreign Governmental Authority.

3.15. **Agreement Will Not Cause Breach or Violation.** Except as set forth in Schedule 3.15, the execution, delivery, and performance of this Agreement by Selling Parties and the consummation of the transactions contemplated by this Agreement will not result in or constitute any of the following: (1) a breach of any term or provision of this Agreement; (2) a default or an event that, with notice, lapse of time, or both, would be a default, breach, or violation of the articles of Selling Parties or bylaws of Selling Parties or any lease, license, promissory note, conditional sales contract, commitment, indenture, or other agreement, instrument, or arrangement to which Selling Parties, is a party or by which any of them or any assets or properties of any of them is bound; (3) an event that would permit any party to terminate any agreement to which Selling Parties are a party or is bound or to which any of their assets is subject or to accelerate the maturity of any indebtedness or other obligation of Selling Parties; or (4) the creation or imposition of any Encumbrance on any of the properties of Selling Parties.

3.16. **Authority and Consents.** Except as set forth in Schedule 3.16, Selling Parties have the right, power, legal capacity, and authority to enter into and perform their respective obligations under this Agreement (including the sale of the Assets to Buyer), no approvals or consents of any Persons other than Selling Parties are necessary in connection with the sale of the Assets to Buyer and the performance by Selling Parties of their respective obligations under this Agreement.

3.17. **Corporate Documents.** Selling Parties have furnished to Buyer true, correct, and complete (1) copies of the articles of Selling Parties and bylaws of Selling Parties, each as amended; (2) the minute books of Selling Parties containing all records required to be set forth of all proceedings, consents, actions, and meetings of the shareholders and boards of directors of Selling Parties; and (3) the stock transfer books of Selling Parties setting forth all issuances and transfers of any capital stock, and of any option, warrant, or right to acquire any such capital stock.

3.18. **Personnel.** Schedule 3.18 is a list of the names and addresses of all officers, directors, employees, agents, and manufacturer's representatives of Selling Parties, stating the rates of compensation payable to each.

3.19. **Information for Buyer's Shareholders.** Schedule 3.19 is a description of the businesses and properties of Selling Parties prepared by Selling Parties for inclusion in Buyer's proxy statement for the special meeting of Buyer's shareholders that is to be held for the purpose of/solicitation of written consent of its shareholders authorizing and approving the execution, delivery, and performance by Buyer of this Agreement. Neither the description of the business and properties of Selling Parties nor the financial statements contain any untrue statement of a material fact or omit to state any material fact necessary to prevent the statements or information from being misleading. On Buyer's request, Selling Parties will furnish to Buyer such additional information regarding Selling Parties' business and properties as Buyer may require for inclusion in that proxy statement. The information set forth in Schedule 3.19, as supplemented by any additional information that Selling Parties may furnish under this paragraph, will not contain any untrue statement of a material fact or omit to state a material fact necessary to prevent that proxy statement from being misleading.

3.20. **Full Disclosure.** None of the representations and warranties made by Selling Parties in this Agreement, or in any certificate or memorandum furnished or to be furnished by any of them or on their behalf, contains or will contain any untrue statement of a material fact, or omits to state a material fact necessary to prevent the statements from being misleading.

3.21. **Securities Laws.** Calyx Brands hereby represents and warrants to, and covenants with, Buyer (which representations, warranties and covenants shall survive the Closing), that:

(a) Calyx Brands is: (i) an "accredited investor" as defined in Rule 501(a) under the U.S. Securities Act; and (ii) a person who, either alone or with their purchaser representative, if any, has such knowledge and experience in investment, financial and business matters that they are capable of evaluating the merits and risks of the investment in Nutritional High Shares. Calyx Brands is experienced in investments and business matters, has made investments of a speculative nature and has purchased securities of United States publicly-owned companies in private placements in the past and, with its representatives, has such knowledge and experience in financial, tax and other business matters as to enable Calyx Brands to utilize the information made available by Buyer to evaluate the merits and risks of and to make an informed investment decision with respect to the proposed purchase, which represents a speculative investment. Calyx Brands has the authority and is duly and legally qualified to purchase and own the Nutritional High Shares. Calyx Brands is able to bear the risk of such investment for an indefinite period and to afford a complete loss thereof. Calyx Brands agrees to furnish any additional information requested by Buyer to assure compliance with applicable U.S. federal and state securities laws in connection with the purchase and sale of the Nutritional High Shares.

(b) Calyx Brands understands and agrees that the Nutritional High Shares are "restricted securities" and have not been registered under the U.S. Securities Act or any applicable state securities laws, by reason of their issuance in a transaction that does not require registration under the U.S. Securities Act (based in part on the accuracy of the representations and warranties of Calyx Brands contained herein), and that such the Nutritional High Shares must be held indefinitely unless a subsequent disposition is registered under the U.S. Securities Act or any applicable state securities laws or is exempt from such registration. Calyx Brands acknowledges

that it is familiar with Rule 144 of the rules and regulations of the Commission, as amended, promulgated pursuant to the U.S. Securities Act ("Rule 144"), and that Calyx Brands has been advised that Rule 144 permits resales only under certain circumstances. Calyx Brands understands that to the extent that Rule 144 is not available, Calyx Brands will be unable to sell any Nutritional High Shares without either registration under the U.S. Securities Act or the existence of another exemption from such registration requirement.

(c) Calyx Brands agrees: (A) that Calyx Brands will not sell, assign, pledge, give, transfer or otherwise dispose of the Nutritional High Shares or any interest therein, or make any offer or attempt to do any of the foregoing, except pursuant to a registration of the Nutritional High Shares under the U.S. Securities Act and all applicable state securities laws, or in a transaction which is exempt from the registration provisions of the U.S. Securities Act and all applicable state securities laws; (B) that the certificates representing the Nutritional High Shares will bear a legend making reference to the foregoing restrictions; and (C) that Buyer and its affiliates shall not be required to give effect to any purported transfer of such Nutritional High Shares except upon compliance with the foregoing restrictions.

(d) Calyx Brands is aware that an investment in Nutritional High is speculative and involves certain risks including the possible loss of the entire investment.

(e) Calyx Brands is not aware of any advertisement of any of the common stock of Nutritional High and is not acquiring the common stock of Nutritional High as a result of any form of general solicitation or general advertising, including advertisements, articles, notices or other communications published in any newspaper, magazine or similar media, or broadcast over radio or television, or any seminar or meeting whose attendees have been invited by general solicitation or general advertising.

(f) No person has made to Calyx Brands any written or oral representations:

(i) that any person will resell or repurchase any of the Nutritional High Shares;

(ii) that any person will refund the purchase price of any of the Nutritional High Shares;

(iii) as to the future price or value of any of the Nutritional High Shares;

(iv) regarding the legality of an investment in the Nutritional High Shares under applicable legal investment or similar laws or regulations;

(f) Calyx Brands acknowledges that the representations and warranties contained herein are made by it with the intention that such representations and warranties may be relied upon by the Buyer and its legal counsel in determining Calyx Brands' eligibility to issue the Nutritional High Shares under applicable legislation, or (if applicable) the eligibility of others on whose behalf it is contracting hereunder to purchase the shares of common stock of Nutritional High under applicable legislation. Calyx Brands further agrees that by accepting delivery of the Nutritional High Shares pursuant to this Agreement, it will be representing and warranting that the

representations and warranties contained herein are true and correct as at the date of issuance of the Nutritional High Shares with the same force and effect as if they had been made by Calyx Brands on Closing and that they will survive the purchase by Calyx Brands of the Nutritional High Shares and will continue in full force and effect notwithstanding any subsequent disposition by Calyx Brands of such Nutritional High Shares.

ARTICLE 4

BUYER'S WARRANTIES

Buyer warrants that:

4.1. **Organization, Standing, and Qualification of Buyer.** Buyer is a duly organized, validly existing, and in good standing under the laws of the State of California. The execution and delivery of this Agreement and the consummation of this transaction by Buyer have been duly authorized, and no further corporate authorization is necessary on the part of Buyer. No consent, approval, or authorization of, or declaration, filing, or registration with, any Governmental Authority is required to be made or obtained by Buyer in connection with the execution, delivery, and performance of this Agreement and the consummation of the transactions contemplated by this Agreement.

4.2. **Sufficiency of Funds.** Buyer has sufficient cash on hand or other sources of immediately available funds to enable it to make payment of the Purchase Price, and if applicable, the Earn-Out Agreement, and consummate the transactions contemplated by this Agreement.

4.3. **Solvency.** Immediately after giving effect to the transactions contemplated hereby, Buyer shall be solvent and shall: (a) be able to pay its debts as they become due; (b) own property that has a fair saleable value greater than the amounts required to pay its debts (including a reasonable estimate of the amount of all contingent liabilities); and (c) have adequate capital to carry on its business. No transfer of property is being made and no obligation is being incurred in connection with the transactions contemplated hereby with the intent to hinder, delay or defraud either present or future creditors of Buyer or Selling Parties. In connection with the transactions contemplated hereby, Buyer has not incurred, nor plans to incur, debts beyond its ability to pay as they become absolute and matured.

4.4. **Legal Proceedings.** There is no action of any nature pending or, to Buyer's knowledge, threatened against or by Buyer that challenges or seeks to prevent, enjoin or otherwise delay the transactions contemplated by this Agreement. No event has occurred or circumstances exist that may give rise to, or serve as a basis for, any such action.

4.5. **Nutritional High Shares.** All of the shares of common stock of Nutritional High represented by the Nutritional High Stock Certificates are validly issued, fully paid, and non-assessable, and have been so issued in full compliance with all applicable Canadian and United States securities laws.

ARTICLE 5

SELLING PARTIES' OBLIGATIONS BEFORE CLOSING

Selling Parties agree that from the Effective Date of this Agreement, until the earlier to occur of, (i) the Closing, or (ii) the termination of this Agreement in accordance with its terms:

5.1. Buyer's Access to Premises and Information.

(a) Buyer and its counsel, accountants, and other representatives will have full access during normal business hours to all properties, books, accounts, records, contracts, and documents of or relating to Selling Parties. Selling Parties will furnish or cause to be furnished to Buyer and its representatives all data and information concerning the business, finances, and properties of Selling Parties that may reasonably be requested.

(b) No information or knowledge obtained by Buyer in any investigation under this paragraph will affect or be deemed to modify any representation or warranty of Selling Parties or the conditions to the obligations of Selling Parties to effect Closing, provided however, that if Buyer was aware of information as a result of its investigation that would cause Selling Parties to breach this Agreement and did not notify Selling Parties then to the extent such lack of notice caused Selling Parties, or any of them, to breach the warranty, the breach shall be excused.

5.2. Conduct of Business in Normal Course. Selling Parties will carry on their respective businesses and activities diligently, in the ordinary course, and in substantially the same manner as they previously have been carried out and will not make or institute any unusual or novel methods of manufacture, purchase, sale, lease, management, accounting, or operation that vary materially from those methods used by Selling Parties on the date of this Agreement.

5.3. Preservation of Business and Relationships. Selling Parties will use their commercially reasonable efforts to preserve their respective business organizations intact, to keep available to Selling Parties their present officers and employees, and to preserve their present relationships with suppliers, customers, and others having business relationships with them.

5.4. Corporate Matters. No Change in Corporate Structures. Selling Parties will not (1) amend their articles of incorporation or bylaws; (2) issue any shares of its capital stock; (3) issue or create any warrants, obligations, subscriptions, options, convertible securities, or other commitments under which any additional shares of its capital stock of any class might be directly or indirectly authorized, issued, or transferred from treasury; or (4) agree to do any of the acts listed above; provided, however, Calyx Brands may issue vested, but unexercised, stock purchase options to its employees pursuant to its 2015 Equity Incentive Plan

5.5. Maintenance of Insurance. Selling Parties will continue to carry their existing insurance. At the request of Buyer and at Buyer's sole expense, the amount of insurance against fire and other casualties that, at the date of this Agreement, Selling Parties carry on any of their properties or in respect of their operations will be increased by the amount or amounts Buyer will

specify. Selling Parties will cause Buyer to be named as an additional insured on each existing insurance policy carried by Selling Parties.

5.6. **Employees and Compensation.** Selling Parties will not, and will not agree to do, any of the following acts: (1) make any change in compensation payable, or to become payable, by either of them to any officer, employee, sales agent, or representative; or (2) make any change in benefits payable to any officer, employee, sales agent, or representative under any bonus or pension plan or other contract or commitment.

5.7. **New Transactions.** Selling Parties will not, without Buyer's written consent, do or agree to do any of the following acts:

5.7.1. Enter into any contract, commitment, or transaction not in the usual and ordinary course of its business or not consistent with its past practices;

5.7.2. Enter into any contract, commitment, or transaction in the usual course of business involving an amount exceeding Five Thousand Dollars (\$5,000) individually or Twenty Thousand Dollars (\$20,000) in the aggregate;

5.7.3. Make any capital expenditures in excess of Five Thousand Dollars (\$5,000) for any single item or Twenty Thousand Dollars (\$20,000) in the aggregate, or enter into any leases of capital equipment or property; or

5.7.4. Sell or dispose of any capital assets with a net book value exceeding Five Thousand Dollars (\$5,000) individually or Twenty Thousand Dollars (\$20,000) in the aggregate, or place or allow to be imposed any Encumbrance on any of the Assets.

5.8. **Existing Agreements.** Selling Parties will not modify, amend, cancel, or terminate any of its existing contracts or agreements, or agree to do any of those acts, except as would occur in the normal course of business or as is necessary to effectuate this Agreement or the transactions contemplated hereby.

5.9. **Corporate and Shareholder Approvals.** Calyx Brands will deliver to Buyer, on or before the Closing Date: (1) a written consent of its board of directors approving the change of Calyx Brands name to C.B. Distribution, Inc. (or a name of substantial similarity); (2) a written consent of its shareholders authorizing and approving Calyx Brands' execution, delivery, and performance of its obligations under this Agreement (including the sale of the Assets to Buyer under this Agreement) and approving and consenting to a plan of complete liquidation and voluntary dissolution of Calyx Brands. Calyx will deliver to Buyer, on or before the Closing Date, a written consent of its directors and members (1) authorizing and approving the Calyx's execution, delivery, and performance of its obligations under this Agreement (including the sale of the Assets to Buyer under this Agreement), and (2) approving the change of Calyx's name to C.B. Distribution Associates, Inc. (or a name of substantial similarity), and (3) approving and consenting to a plan of complete liquidation and voluntary dissolution of Calyx.

5.10. **Information to be Held in Confidence.** From and after the Closing, Selling Parties and their respective officers, directors, and other representatives will each hold in strict confidence all information of a confidential nature and not generally known to the public with respect to the Business of Selling Parties or the Assets except when that disclosure of such information may be compelled by law by any Governmental Authority or in any proceeding. If Selling Parties, or any of them, believe that such disclosure is required, that Party will give Buyer advance notice of the disclosure and the basis for it, and permit Buyer a reasonable opportunity to eliminate the need for or to narrow such disclosure.

ARTICLE 6

BUYER'S OBLIGATIONS BEFORE CLOSING

6.1. **Information to Be Held in Confidence.** Unless and until the Closing has been consummated, Buyer and its officers, directors, and other representatives will hold in strict confidence, and will not use to the detriment of Selling Parties, all data and information with respect to the Business of Selling Parties obtained in connection with this transaction or Agreement, except when that data and information may be required by law to be included in Buyer's proxy statement in connection with a meeting of its shareholders, required by the Securities Exchange Act of 1934 and the general rules and regulations issued under that act, or unless disclosure of such information is otherwise compelled by law by any Governmental Authority or in any Proceeding. If Buyer believes that such disclosure is required, either under the Securities Exchange Act of 1934 or otherwise, it will give Selling Parties advance notice of its disclosure and the basis for it, and permit Selling Parties a reasonable opportunity to eliminate the need for or narrow such disclosure. If the transactions contemplated by this Agreement are not consummated, Buyer will return to Selling Parties all that data and information that Selling Parties may reasonably request, including worksheets, test reports, manuals, lists, memoranda, and other documents prepared by or made available to Buyer in connection with this Agreement and the transaction contemplated.

6.2. **Cooperation in Securing Consents of Third Parties.** Buyer will use its reasonable efforts to assist Selling Parties in obtaining the consent of all necessary Persons and Governmental Authorities to the assignment and transfer to Buyer of any pending or existing Entitlements, properties, assets, and agreements (including agreements with the United States government or any of its agencies) to be assigned and transferred under the terms of this Agreement, provided, however, that this provision will not impose on Buyer any obligation to pay for any default or perform any obligation of Selling Parties under any such agreements or relieve Selling Parties from any failure to obtain such consent.

6.3. **Resale Certificate.** Buyer will furnish any resale certificate or other documents reasonably requested by Selling Parties to comply with the provisions of the sales and use Tax laws of the State of California.

6.4. **Bulk Sales Law.** Buyer waives compliance with the provisions of Division 6 of the California Uniform Commercial Code relating to bulk sale in connection with this sale of assets,

subject to the indemnities of Selling Parties contained in this Agreement. Nothing in this paragraph will stop or prevent either Buyer or Selling Parties from asserting as a bar or defense to any proceeding brought under the bulk sale law that such law does not apply to the sale contemplated under this Agreement.

6.5. **Corporate and Shareholder Approvals.** Buyer will deliver to Selling Parties, on or before the Closing Date, a written consent of its shareholders authorizing and approving the Buyer's execution, delivery, and performance of its obligations under this Agreement.

ARTICLE 7

CONDITIONS PRECEDENT TO BUYER'S PERFORMANCE

The obligations of Buyer to purchase the Assets under this Agreement are subject to the satisfaction, at or before the Closing, of all the conditions set out below in this Article 7. Buyer may waive any or all of these conditions in whole or in part in writing.

7.1. **Accuracy of Selling Parties' Representations and Warranties.** All representations and warranties made by Selling Parties, or each of them, in this Agreement, or in any written statement that will be delivered to Buyer by any of Selling Parties under this Agreement must be true and correct in all material respects on and as of the Closing Date, as though such representations and warranties were made on and as of that date.

7.2. **Performance by Selling Parties.** On or before the Closing Date, Selling Parties, and each of them, will have performed, satisfied, and complied with all covenants, agreements, and conditions that they are required by this Agreement to perform, comply with, or satisfy, before or at the Closing.

7.3. **No Material Adverse Change.** During the period from the Effective Date to the Closing Date, there will not have been any material adverse change in the financial condition or the results of operations of Selling Parties and Selling Parties will not have sustained any material loss or damage to its insured or uninsured assets that materially affects its ability to conduct its Business or the value of the Assets to be purchased by Buyer under this Agreement at the Closing.

7.4. **Absence of Litigation.** No Proceeding or action before any Governmental Authority pertaining to the transaction contemplated by this Agreement or to its consummation, or that could reasonably be expected to have a material adverse effect on Selling Parties, any of their businesses, assets, or financial conditions, or the Assets will have been instituted or threatened before the Closing Date.

7.5. **Letter Regarding Financial Changes.** Buyer will have received from Selling Parties a letter, dated the Closing Date, stating that, on the basis of a limited review (not an audit) of the latest available accounting records of Selling Parties, consultations with other responsible officers of Selling Parties, and other pertinent inquiries that may deem necessary, they have no

knowledge or reason to suspect that during the period from the date of this Agreement to a specified date not more than five (5) business days before the Closing Date, there was any change in the financial condition or results of operations of Selling Parties, except changes incurred in the ordinary course of their respective businesses during that period that in the aggregate are not materially adverse, and any other changes or transactions contemplated by this Agreement.

7.6. **Employment Agreement.** Shareholder's employment agreement, in the form set forth in Exhibit "C", dated the Closing Date, will have been executed and delivered by Shareholder.

7.7. **Approval of Documentation and Delivery; Closing Actions and Approval of Documentation.** Selling Parties shall have delivered to Buyer all documents and taken all actions required to be taken by such parties under Article 9 of this Agreement. The form and substance of all certificates, instruments, opinions, and other documents delivered to Buyer under this Agreement must be satisfactory in all reasonable respects to Buyer and its counsel.

7.8. **Approval of Entitlements; Compliance with the Law.** Selling Parties have received Entitlements from the State and Local jurisdictions and met all State Licensing requirements to operate the Business in the jurisdictions where their leasehold interests are located. Buyer has verified to Buyer's satisfaction that the Selling Parties are fully compliant with State and local laws in order to conduct the Business in the jurisdictions where the Business is operating including, but not limited to, in compliance with applicable zoning laws, rules and regulations and have obtained all necessary Entitlements and available State Licensing.

7.9. **Corporate Approval.** The execution, delivery, and performance of this Agreement by the Selling Parties and the consummation of the transactions contemplated will have been duly authorized by all necessary corporate action by the board of directors and shareholders of each Selling Parties, and the Buyer will have received copies of all resolutions of the board of directors and the shareholders of the Selling Parties pertaining to that authorization, certified by their respective secretaries.

ARTICLE 8

CONDITIONS PRECEDENT TO SELLER'S PERFORMANCE

The obligations of Selling Parties to sell and transfer the Assets under this Agreement are subject to the satisfaction, at or before closing, of all the following conditions. Selling Parties may waive any or all of these conditions in whole or in part in writing; provided, however, that no such waiver of a condition will constitute a waiver by Selling Parties of any of its other rights or remedies, at law or in equity, if Buyer should be in default of any of its representations, warranties, or covenants under this Agreement.

8.1. **Accuracy of Buyer's Representations and Warranties.** All representations and warranties by Buyer in this Agreement or in any written statement that will be delivered to any of

Selling Parties by Buyer under this Agreement must be true on, and correct as of the Closing Date as though such warranties were made on and as of that date.

8.2. **Buyer's Performance.** On or before the Closing Date, Buyer will have performed, satisfied, and complied with all covenants, agreements, and conditions that it is required by this Agreement to perform, comply with, or satisfy, before or at the Closing.

8.3. **Buyer's Corporate Approval.** The execution, delivery, and performance of this Agreement by Buyer and the consummation of the transactions contemplated will have been duly authorized by all necessary corporate action by Buyer's board of directors and shareholders.

8.4. **Listing of Buyer's Stock.** The Nutritional High Shares issuable in connection with this Agreement shall have been conditionally approved for listing by the Canadian Securities Exchange ("CSE"), subject to fulfilment of the CSE's conditions, including the usual and ordinary listing requirements.

8.5. **Absence of Litigation.** No proceeding, pertaining to the transaction contemplated by this Agreement or to its consummation, will have been instituted or threatened on or before the Closing Date.

8.6. **Approval of Documentation and Deliver.** Buyer shall have delivered to Selling Parties all documents and taken all actions required to be taken by such parties under Article 9 of this Agreement. The form and substance of all certificates, instruments, opinions, and other documents delivered to Selling Parties under this Agreement must be satisfactory in all reasonable respects to them and their counsel.

8.7. **Employment Agreement.** Shareholder's employment agreement, in the form set forth in Exhibit "C", dated the Closing Date, will have been executed and delivered by Buyer.

8.8. **Approval by Calyx Brand's Shareholders.** Calyx Brands shall have received the approval of a majority of both its, (i) preferred stockholders, and (ii) common stockholders.

ARTICLE 9

THE CLOSING

9.1. **Time and Place.** The sale and transfer of the Assets by Selling Parties to Buyer (the "Closing") will take place at the offices of JRG, LLP at 318 Cayuga St., Salinas, California 93901 at 10:00 a.m. local time, on February 8, 2018, or at such other time and place as the Parties may agree to in writing (the "Closing Date").

9.2. **Selling Parties' Obligations at Closing.** At the Closing, Selling Parties must deliver or cause to be delivered to Buyer:

9.2.1. Assignments of all leaseholds, properly executed and acknowledged by Selling Parties, and accompanied by all consents of lessors required by this Agreement and the leases being assigned;

9.2.2. Notwithstanding anything in this Agreement to the contrary, including, but not limited to, the Excluded Assets, instruments of assignment and transfer of all other property of Selling Parties of every kind and description and wherever situated, including all its interest in Assets, such as accounts receivable, bank accounts, cash, claims enforceable by legal or equitable actions, rights under agreements, trademarks, trade names, patents, patent applications, patent licenses, copyrights, shop rights, and other tangible or intangible property, except as expressly excluded in an exhibit to this Agreement;

9.2.3. Certified resolutions of Selling Parties' board of directors and consents of the shareholders, in form satisfactory to counsel for Buyer, authorizing the execution and performance of this Agreement and all actions to be taken by Selling Parties under this Agreement;

9.2.4. Notice, if applicable, to Buyer regarding the amount of Secondary Issuance Shares it desires to accept in lieu of the Nine Hundred Fifty Thousand Dollars and No Cents (\$950,000.00) payment due in accordance with Section 2.3.3;

9.2.5. A duly completed certificate of U.S. accredited investor in the form of Exhibit "D", together with such other supporting documentation that the Buyer or its legal counsel may request to establish the Selling Parties' qualification as a qualified accredited investor;

9.2.6. A duly executed and completed copy of Shareholder's employment agreement;

9.2.7. A duly executed and completed copy of the Earn-Out Agreement between Buyer and the shareholders of Calyx Brands and their representative;

9.2.8. A duly executed copy of Selling Parties letter regarding financial changes, as more specifically set forth in Section 7.5 of this Agreement; and

9.2.9. Simultaneously with the consummation of the transfer, Selling Parties, through its officers, agents, and employees, will put Buyer into full possession and enjoyment of all properties and assets to be conveyed and transferred by this Agreement.

9.3. **Buyer's Obligations at Closing.** At the Closing, Buyer must deliver to the Seller Parties the following instruments and documents:

9.3.1. A bank cashier's check in the amount of Four Hundred Thousand Dollars (\$400,000) clearinghouse funds less any adjustments;

9.3.2. The Nutritional High Stock Certificates, representing those shares of Nutritional High, as more specifically set forth in Section 2.3.2;

9.3.3. The Buyer's Note, as more specifically set forth in Section 2.3.3;

9.3.4. A duly executed copy of Shareholder's employment agreement between Buyer and Shareholder;

9.3.5. A duly executed and completed copy of the Earn-Out Agreement between Buyer and the shareholders of Calyx Brands and their representative; and

9.3.6. Certified resolutions of Buyer's board of directors, in form satisfactory to counsel for Selling Parties, authorizing the execution and performance of this Agreement and all actions to be taken by Buyer under this Agreement.

ARTICLE 10

SELLING PARTIES' OBLIGATIONS AFTER CLOSING

10.1. **Selling Parties' Indemnification of Buyer.** Selling Parties will, jointly and severally, indemnify, defend, and hold harmless Buyer against and in respect of claims, demands, losses, costs, expenses, obligations, liabilities, damages, recoveries, and deficiencies, including interest, penalties, and reasonable attorney fees (each a "Loss"), that Buyer, its directors, officers, employees, consultants, or shareholders (each an indemnified party) will incur or suffer that arise from any breach of or failure by Selling Parties to perform any of their representations, warranties, covenants, or agreements in this Agreement or in any schedule, certificate, exhibit, or other instrument furnished or to be furnished by Selling Parties under this Agreement. In no event shall Selling Parties maximum aggregate liability under this Agreement exceed the Purchase Price. Despite any other provision of this Agreement, Selling Parties will not be liable to any indemnified party on any warranty, representation, covenant, or agreement made by Selling Parties in this Agreement, or under any of their indemnities in this Agreement, until such time as all claims of Losses cumulatively exceed \$50,000; if and when the aggregate amount of all such claims of Losses cumulatively exceed such amount, Selling Parties will, subject, to the above limitation on their maximum aggregate liability, thereafter be liable in full for all losses arising from those breaches and indemnities and regarding all those Losses.

10.2. **Deduction for Insurance Proceeds.** In computing the amount to be paid by Selling Parties under their indemnity obligations, there will be deducted an amount equal to all insurance proceeds actually received by Buyer in connection with such Loss.

10.3. **Seller's Right to Defend.** Buyer will promptly notify Selling Parties of the existence of any claim asserted by a third party against any indemnified party on which Buyer intends to assert an indemnification claim for Loss (a third party claims notice), and will give Selling Parties a reasonable opportunity to defend the same at their own expense and with counsel

of their own selection; provided that Buyer will at all times also have the right to participate fully in the defense at its own expense. If, within five (5) days after Buyer has given the third party claim notice, Selling Parties fail to undertake the defense of that third party claim, Buyer will have the right, but not the obligation, to undertake the defense of, and to compromise or settle (exercising reasonable business judgment), the claim or other matter on behalf and at the risk of Selling Parties. If the claim is one that cannot by its nature be defended solely by Selling Parties (including any federal or state Tax Proceeding), Buyer will make available all information and assistance that Selling Parties may reasonably request.

10.4. **Non-Competition.**

10.4.1. Selling Parties acknowledge the benefits received received by them in connection with the sale of the Assets and in consideration for the payment by Buyer of the Purchase Price, Selling Parties shall cause Shareholder, who has special knowledge, expertise, contacts and other information with respect to the Assets to execute a non-competition agreement setting forth that, except as it relates to Shareholder's employment with Buyer and ownership of Nutritional High Stock, Shareholder will not, at any time within the two (2) year period immediately following the Closing Date, directly or indirectly engage in, or have any interest in any Entity (whether as an employee, officer, director, agent, security holder, creditor, consultant, or otherwise) that engages in any activity in California that is the same as, similar to, or competitive with any activity now engaged in by Calyx, or Calyx Brands (or any successor or successors of either), in any of these counties as long as Buyer (or any successor) engages in the activity in such county or city.

10.4.2. The Parties intend that the covenant contained in the preceding portion of this section be construed as a series of separate covenants, one for each county and city specified. Except for geographic coverage, each such separate covenant will be considered identical in terms to the covenant contained in the preceding paragraph. If, in any Proceeding, a court refuses to enforce any of the separate covenants included in this paragraph, the unenforceable covenant will be considered eliminated from these provisions for the purpose of those Proceedings to the extent necessary to permit the remaining separate covenants to be enforced.

10.4.3. Shareholder will not to divulge, communicate, use to the detriment of Buyer or for the benefit of any other Person, or misuse in any way, any confidential information or trade secrets of Selling Parties, including personnel information, secret processes, know-how, customer lists, recipes, formulas, or other technical data. Shareholder acknowledges and agrees that any information or data he has acquired on any of these matters or items was received in confidence and as a fiduciary of Selling Parties.

10.5. **Change of Selling Parties' Name.** After the Closing Date, Selling Parties will not use or employ in any manner directly or indirectly Calyx, Calyx Brands, Calyx Distribution, and it will take and cause to be taken all necessary action by its board of directors, shareholders, to file the applicable forms with the California Secretary of State to change Selling Parties' name after the Closing Date and dissolve Selling Parties. Selling Parties will notify Buyer upon such filing

so that Buyer can concurrently file a name reservation for Calyx, Calyx Brands and Calyx Distribution.

10.6. **Dissolution of Selling Parties.** As soon as is practically possible after the Closing Date, Selling Parties will take all action required (1) change its name; (2) to dissolve and settle its bona fide debts, and distribute to shareholders, in the manner provided by this paragraph but in compliance with applicable law, all its remaining right, title, and interest in and to its assets (other than the Assets being sold to Buyer under this Agreement), including the consideration to be received by it under this Agreement, in exchange for the surrender by the shareholders of their capital stock of Selling Parties for cancellation; and (3) as soon as practicable after the Closing Date, to liquidate completely and terminate its corporate existence. From and after the Closing Date, Selling Parties will not engage in any business or activity, except as required to complete its liquidation and dissolution. Nothing in this Agreement will prevent Selling Parties from dissolving promptly after the Closing Date.

10.7. **Further Assurances.** Selling Parties, at any time on or after the Closing Date, will execute, acknowledge, and deliver any further deeds, assignments, conveyances, and other assurances, documents, and instruments of transfer, reasonably requested by Buyer, and will take any other action consistent with the terms of this Agreement that may reasonably be requested by Buyer for the purpose of assigning, transferring, granting, conveying, and confirming to Buyer, or reducing to possession, any or all property to be conveyed and transferred under this Agreement. If requested by Buyer, Selling Parties will prosecute or otherwise enforce in its own name for the benefit and under the direction of Buyer, any claims, rights, or benefits that are transferred to Buyer under this Agreement and that require prosecution or enforcement in Selling Parties' name. Any prosecution or enforcement of claims, right, or benefits under this paragraph will be solely at Buyer's expense, unless the prosecution or enforcement is made necessary by a breach of this Agreement by Selling Parties, or any of them.

10.8. **Information to Be Held in Confidence.** From and after the Closing, Selling Parties and their respective officers, directors, and other representatives will each hold in strict confidence all information of a confidential nature and not generally known to the public with respect to the Business of Selling Parties or the Assets, except when disclosure of such information may be compelled by law by any governmental authority or in any proceeding. If any of Selling Parties believe that such disclosure is required, that party will give Buyer advance notice of the disclosure and the basis for it, and permit Buyer a reasonable opportunity to eliminate the need for or to narrow such disclosure.

10.9. **Payment of Debts.** Immediately after the Closing, Selling Parties will ensure that the Selling Parties debts to TAR, LLC and David Ominsky are paid in full out of the Purchase Price paid to Selling Parties.

ARTICLE 11

BUYER'S OBLIGATIONS AFTER CLOSING

11.1. **Indemnification.** Buyer must indemnify and hold harmless Selling Parties against, and in respect of, Losses that they may incur by reason of Buyer's breach of or failure to perform any of its warranties or commitments in this Agreement, or by reason of any act or omission of Buyer, or any of its successors or assigns, after the Closing Date, that constitutes a breach or default under, or a failure to perform, any obligation or liability of Selling Parties, or any of them, under any loan agreement, lease, contract, order, or other agreement to which it is a party or by which it is bound at the Closing Date, but only to the extent to which Buyer expressly assumes these obligations, duties, and liabilities under this Agreement.

11.2. **Post-Closing Financial Commitment.** For a period of one (1) year following the Closing Date, Nutritional High shall fund Buyer with: (i) Seven Hundred Fifty Thousand Dollars and No Cents (USD \$750,000.00) in working capital; and (ii) secure debt-financing for Buyer for up to Two Million Dollars and No Cents (USD \$2,000,000.00) (collectively, the "Post-Closing Financial Commitment").

ARTICLE 12

PUBLICITY

All notices to third parties and all other publicity concerning the transactions contemplated in this Agreement will be jointly planned and coordinated by and between Buyer and Selling Parties. No Party will act unilaterally in this regard without the prior written approval of the others; provided, however, this approval will not be unreasonably withheld.

ARTICLE 13

FINDER'S OR BROKER'S FEES

Each Party represents that it has dealt with no broker or finder in connection with any transaction contemplated by this Agreement, except Buyer's dealings with Bowman Hanson; and, as far as it knows, no broker or other Person is entitled to any commission or finder's fee in connection with any of these transactions, except the fee to be paid to Bowman Hanson. Selling Parties and Buyer each indemnify and hold harmless one another against any Loss incurred by reason of any brokerage or other commission or finder's fee alleged to be payable because of any act, omission, or statement of the indemnifying Party.

ARTICLE 14

REMEDIES

14.1. **Arbitration.** Any controversy or claim arising from or relating to this Agreement, or its making, performance, or interpretation, will be settled by arbitration in under the commercial arbitration rules of the American Arbitration Association then existing. Judgment on the arbitration award may be entered in any court having jurisdiction over the subject matter of the controversy. Arbitrators will be individuals experienced in negotiating, making, and consummating acquisition

agreements. The arbitrator shall determine the prevailing Party in such arbitration and shall award the prevailing Party its expenses of the arbitration including reasonable attorney's fees.

14.2. Termination.

14.2.1. **Conditions Permitting Termination.** This Agreement may be terminated at any time before completion of the Closing:

(i) By mutual written consent of the Parties, duly authorized by the boards of directors of both Buyer and Selling Parties;

(ii) By either Party if the Closing has not occurred on or before March 27, 2018, for any reason, provided, however, that the right to terminate this Agreement under this paragraph (ii) shall not be available to any Party whose action or failure to act has been a principal cause of or resulted in the failure of the Closing to occur on or before such date and such action or failure to act constitutes a breach of this Agreement;

(iii) By either Party if any bona fide proceeding is pending against any Party, other than as disclosed by Selling Parties and set forth on Schedule 3.14 and Schedule 14.2.1(iii), on the Closing Date that could result in an unfavorable judgment, decree, or order that would prevent or make unlawful the performance of this Agreement;

(iv) By either Party, if any Governmental Entity has issued an order, decree or ruling or taken any other action, in each case, having the effect of permanently restraining, enjoining, or otherwise prohibiting the transactions contemplated by this Agreement, and such order, decree, ruling, or other action is final and nonappealable;

(v) If, before the Closing, either Buyer or Selling Parties materially defaults in the due and timely performance of any of their covenants or agreements under this Agreement, or if any representation or warranty becomes materially untrue, the nondefaulting Party or Parties may terminate this Agreement, provided that, if the default or breach of the covenant or agreement, or untruth in the representation, can be cured, termination will not be effective for five (5) days after delivery of written notice of intent to terminate, and if the breach is cured within that time, the nondefaulting Party will have no right to terminate this Agreement on account of that breach. In addition, no Party may exercise any right to terminate under this paragraph if it is in material breach of this Agreement.

14.2.2. **Effect of Termination.** Any proper termination of this Agreement in accordance with its terms will be effective immediately on delivery of written notice by the terminating Party to the other Parties (unless a provision of this Agreement permits a Party a cure period, and then on the expiration of that cure period without cure). In the event of termination of this Agreement as provided in Section 14.2.1, then this Agreement, the Earn Out Agreement, and the Buyer's Note shall be of no further force or effect except that Selling Parties shall enter into a promissory note, as more specifically set forth in Section 1B of the Letter of Intent, for which such note shall be for the payment of all money paid in accordance with Section 1B of the Letter of

Intent (including payments made pre-Closing that were to be applied to the Post-Closing Financial Commitment referenced in Section 1E of the Letter of Intent).

ARTICLE 15

NATURE AND SURVIVAL OF REPRESENTATIONS AND OBLIGATIONS

The warranties made by the Parties to this Agreement, and their respective obligations to be performed under its terms at or before the Closing Date, will expire with, and be terminated and extinguished by, the Closing, and consummation of the Closing will be conclusive evidence that each Party is fully satisfied with the facts constituting the basis of the representations and warranties of the other Parties and with the performance of their obligations, absent fraud. This paragraph will not affect any obligation of any Party under this Agreement that is permitted or obligated to be performed, in whole or in part, after the Closing.

ARTICLE 16

GENERAL PROVISIONS

16.1. **Assignment.** No assignment or transfer by any Party of their respective rights and obligations hereunder shall be made except with the prior written consent of the other Parties hereto.

16.2. **Attorneys' Fees.** In the event any Party hereto institutes an action or proceeding to enforce any rights arising under this Agreement, the Party prevailing in such action or proceeding shall be paid all reasonable attorneys' fees and costs. These costs include, without limitation, expert witness fees, investigation costs, costs of tests and analysis, travel and accommodation expenses, deposition and trial transcript costs and court costs. A court, and not a jury, will set all such fees and costs, all of which will be included in the judgment entered in such proceeding.

16.3. **Binding Effect.** This Agreement shall be binding upon and shall inure to the benefit of the Parties hereto and their permitted successors and assigns, and any reference to a Party hereto shall also be a reference to a permitted successor or assign.

16.4. **Captions.** The titles and captions contained in this Agreement are inserted herein only as a matter of convenience and for reference and in no way define, limit, extend or describe the scope of this Agreement or the intent of any provision hereof. Unless otherwise specified to the contrary, all references to Articles and Sections are references to Articles and Sections of this Agreement and all references to exhibits and schedules are references to exhibits and schedules to this Agreement.

16.5. **Controlling Law.** This Agreement shall be governed by and construed and enforced in accordance with the internal laws of the State of California without reference to California's choice of law rules.

16.6. **Counsel to Buyer.** The firm of L+G, LLP (the “Firm”) has been employed to prepare the initial draft of this Agreement for review by the Parties and their respective advisors or counsel. Each Party acknowledges that the Firm represents Buyer and that, in the absence of any other written agreement, the Firm shall owe no duties directly to any Party other than to Buyer. In the event of any dispute or controversy arising between any Party and Buyer, each Party agrees that the Firm may continue to represent Buyer in any such dispute or controversy. Each Party irrevocably consents to such representation and acknowledges that the Firm has not represented the interest of any other Party in preparing this Agreement.

16.7. **Counterparts and Associated Signatures.** This Agreement may be executed simultaneously in one (1) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. All fax, mechanical, digital, electronic, and/or stamped signatures shall be treated as original signatures (the “Associated Signature(s)”) that are associated with this Agreement, as long as affixed to the particular document with the approval of the person whose signature is represented by the Associated Signature. There shall be a rebuttable presumption that an Associated Signature was affixed to the particular document with the consent of the person whose signature is represented thereby.

16.8. **Enforcement of Certain Rights.** Nothing expressed or implied in this Agreement is intended, or shall be construed, to confer upon or give any Person or third party, other than the Parties hereto, and their successors or assigns, any rights, remedies, obligations or liabilities under or by reason of this Agreement, or result in such Person firm or third party being deemed a third party beneficiary of this Agreement.

16.9. **Entire Agreement; Modification.** This Agreement and the exhibits and schedules hereto, constitute the entire agreement between the Parties pertaining to the subject matter contained in it and supersedes all prior and contemporaneous agreements, representations, and understandings of the Parties. No supplement, modification, or amendment of this Agreement will be binding unless executed in writing by all the Parties.

16.10. **Exhibits and Schedules.** The exhibits and schedules attached hereto are incorporated into and made a part of this Agreement as if set out in full in this Agreement.

16.11. **Fees and Expenses.** Except as set forth elsewhere in this Agreement, each Party shall pay its own fees, costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby, including, but not limited to, the fees, costs and expenses of its accountants and counsel.

16.12. **Further Documents and Acts.** The Parties to this Agreement will, in good faith, exercise and perform such other acts as are reasonably necessary and appropriate to consummate and carry out the terms and conditions and other contracts described under this Agreement. The Parties agree to execute and deliver such further instruments, agreements, contracts and documents, as may be reasonably required to effectuate the stated and intended purposes of this Agreement.

16.13. **Interpretation.** In the event any claim is made by any Party relating to any conflict, omission or ambiguity in this Agreement, no presumption or burden of proof or persuasion shall be implied by virtue of the fact that this Agreement was prepared by or at the request of a particular Party or his or its counsel. The Parties further agree that California Civil Code Section 1654 does not apply to this Agreement.

16.14. **Jurisdiction and Venue.** The Parties acknowledge and understand that the making of this Agreement is in Alameda County, California. Any suit, arbitrations, mediation or other remedial process shall be filed and maintained in Alameda County, California.

16.15. **Notices.** All notices or other communications provided for in this Agreement shall be given or made by certified or registered mail (with postage prepaid and return receipt requested), delivered personally by a nationally recognized courier service, or facsimile (if a copy thereof is also mailed to the recipient by certified or registered mail with postage prepaid and return receipt requested).

16.16. **Parties in Interest.** Nothing in this Agreement, whether express or implied, is intended to confer any rights or remedies under, or by reason of, this Agreement on any Persons other than the parties to it and their respective successors and assigns; nothing in this Agreement is intended to relieve or discharge the obligation or liability of any third party to any Party to this Agreement; and no provision will give any third party any right of subrogation or claim against any Party to this Agreement.

16.17. **Reliance on Authority of Person Signing Agreement.** If a Party is not a natural person, then no other Party will (a) be required to determine the authority of the individual signing this Agreement to make any commitment or undertaking on behalf of such entity or to determine any fact or circumstance bearing upon the existence of the authority of such individual, or (b) be responsible for the application or distribution of proceeds paid or credited to individuals signing this Agreement on behalf of such entity.

16.18. **Remedies Cumulative.** The remedies under this Agreement are cumulative and shall not exclude any other remedies to which any Person may be lawfully entitled.

16.19. Representations and Warranties.

(a) The representations and warranties, covenants and agreements of the Parties set forth in this Agreement shall remain in full force and effect until duly satisfied or performed by the appropriate Party hereto. This Section shall not limit or restrict the Parties' remedies against each other or any other person for fraud, willful misconduct, bad faith or any other intentional breach of any representation, warranty, covenant or agreement contained herein; and

(b) The respective representations and warranties of the Parties contained herein or in any certificate, or document delivered by any Party, shall not be deemed waived or otherwise affected by any investigation made by a Party hereto, provided however, that if Buyer was aware of information as a result of its investigation that would cause Selling Parties to breach

this Agreement and did not notify Selling Parties then to the extent such lack of notice caused Selling Parties to breach the warranty, the breach shall be excused.

16.20. **Severability.** The unenforceability, invalidity or illegality of any provision of this Agreement shall not render the other provisions unenforceable, invalid, or illegal. If any provision of the Agreement is held invalid or unenforceable, then the remainder of this Agreement shall nevertheless remain in full force and effect. If any provision is held invalid or unenforceable with respect to particular circumstances, it shall nevertheless remain in full force and effect in all other circumstances. If any provision of this Agreement is unenforceable under the law prevailing on the date hereof, but is enforceable under the law prevailing at a subsequent time, then such originally unenforceable provision shall be deemed to take effect at the time when it becomes enforceable. As used herein, the term “unenforceable” is used in its broadest and most comprehensive sense and includes the concepts of void or voidable.

16.21. **Time of the Essence; Computation of Time.** Time is of the essence for each and every provision of this Agreement. Whenever the last day for the exercise of any privilege or the discharge of any duty hereunder shall fall upon a Saturday, Sunday, or any date that is a legal holiday in the State of California, then the Party having such privilege or duty may exercise such privilege or discharge such duty on the next succeeding day that is a regular business day.

16.22. **Waiver.** The Parties hereto, by or pursuant to action taken by their respective members, partners or officers, may, to the extent legally permitted: (i) extend the time for the performance of any of the obligations or other acts of any other Party; (ii) waive any inaccuracies in the representations or warranties of any other Party contained in this Agreement or in any document or certificate delivered pursuant hereto; (iii) waive compliance or performance by any other Party with any of the covenants, agreements or obligations of such Party contained herein; and (iv) waive the satisfaction of any condition that is precedent to the performance by the Party so waiving of any of its obligations hereunder. Any agreement on the part of a Party hereto to any such extension or waiver shall be valid only if set forth in an instrument in writing signed on behalf of such Party. A waiver by one Party of the performance of any covenant, agreement, obligation, condition, representation or warranty shall not be construed as a waiver of any other covenant, agreement, obligation, condition, representation or warranty. A waiver by any Party of the performance of any act shall not constitute a waiver of the performance of any other act or an identical act required to be performed at a later time.

16.23. **Word Usage.** Unless the context clearly requires otherwise:

1. Plural and singular numbers will each be considered to include the other;
2. The masculine, feminine, and neuter genders will each be considered to include the others;
3. “Shall,” “will,” “must,” “agree,” and “covenants” are each mandatory;
4. “May” is permissive;

5. "Or" is not exclusive; and

6. "Includes" and "including" are not limiting.

7. Reference to any statute is a reference to that statute as amended to the date of this Agreement.

8. Reference to any document is to that document, as amended to the date of this Agreement, including all exhibits and schedules, if any.

9. "Known to" or "knowledge of" a party means, with respect to any fact, circumstance, event, or other matter in question, the actual knowledge of it with respect to an individual, if knowledge refers to the knowledge of an individual, and of an officer or director of a party if knowledge refers to a party that is not an individual.

[Signature Page to Follow]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their duly authorized officers as of the date and year indicated above.

“BUYER”

NH Distribution California, Inc.
a California corporation

By: Jim Frazier
Jim Frazier, CEO

“SELLING PARTIES”

Calyx Brands, Inc.
a California corporation

By: Stephen Sullivan
Stephen Sullivan, CEO
E68EBE8890144DF...

“NUTRITIONAL HIGH”

Nutritional High International, Inc.
a corporation formed under the
Canadian Business Corporations Act

By: Jim Frazier
Jim Frazier, CEO

Calyx Distributions,
a California nonprofit mutual benefit
corporation

By: Stephen Sullivan
Stephen Sullivan, CEO
E68EBE8890144DF...

LIST OF EXHIBITS

Exhibit "A" – Buyer's Note

Exhibit "B" – Earn-Out Agreement between shareholders of Selling Parties and Buyer

Exhibit "C" – Employment Agreement between Stephen Sullivan and Buyer

Exhibit "D" – Accredited Investor Questionnaire

LIST OF SCHEDULES

- Schedule 2.1 – List of the Assets
- Schedule 2.2(i) – Excluded Assets
- Schedule 2.2(ii) – Excluded Assets: Personal Property
- Schedule 2.3.4(i) – Schedule of Accounts Receivable as of December 31, 2017
- Schedule 2.3.4(ii) – Schedule of Inventory as of December 31, 2017
- Schedule 2.6.1 – Purchase Price Allocation
- Schedule 3.2.1 – Capital Structure of Calyx Brands
- Schedule 3.2.2 – List of Shareholders
- Schedule 3.2.3 – List of Members of Calyx Distribution as of December 31, 2017
- Schedule 3.2.4 – Subsidiaries
- Schedule 3.5 – Debts, Obligations, and Liabilities as of December 31, 2017
- Schedule 3.6 – Tax Returns and Audits
- Schedule 3.7.1.1 – Real Property
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- Schedule 3.7.3 – Tangible Personal Property Subject to Encumbrances
- Schedule 3.7.5 – Intellectual Property
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- Schedule 3.8 – Title to Assets; Sufficiency of Assets
- Schedule 3.9 – Customers with Sales in Excess of \$2,000
- Schedule 3.10 – List of Employment Contracts and Benefits
- Schedule 3.11 – Claims Pending Under Insurance Policies
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- Schedule 3.14 – Litigation
- Schedule 3.15 – Breach or Violation
- Schedule 3.16 – Authority and Consents
- Schedule 3.18 – Personnel
- Schedule 3.19 – Information for Buyer's Shareholders
- Schedule 14.2.1(iii) – Litigation on Closing Date that could Result in an Unfavorable Judgment

SCHEDULE 2.1

LIST OF ASSETS

Tangible Assets

- 2 Dell PC's
- 1 Toshiba Chromebook
- 2 HP Printers
- 2 File Cabinets
- 5 Desks
- 3 Desk Chairs
- 1 Wall safe
- 1 Barska Large Biometric Safe
- 11 Vatra Skunk Hybrid Duffle bags
- 13 Master Lock 712D locking Security bags
- 1 Cassida 5520 Bill Counter
- 12 Edsal 7216H Steel Commercial Shelving Units
- 16 Homz Durabilt Tough Storage Totes
- 4 Igloo Ice Cube Roller Collers
- 2 Full Size Refrigerators
- 1 Small Wine Refrigerator (extracts)
- 3 Arlo Q WiFi HD Security Camera's
- DEA Containment Cage
- Samsung Video System (SDH-C84080BF)

Intangible Assets

- Customer lists
- Historic and current sales data
- Customer contracts*
- Vendor contracts*
 - Plus Gum
 - Leaf CA
 - Foothill River Farm
 - Krave Extracts
 - Little Hill Cultivators
 - Seven Leaves Farm
 - Coast Pre-Rolls (Haven West)
 - Proanti Water
 - Indulge Vapes (GBS)
 - Fli Vapes (Nutritional High International) (Contract Pending)
 - Vive
 - Garden Society

- Calyx Brands, Inc. name and logotype
- Calyx Distribution, LLC brand

Product Inventory

- Product inventory of at least \$60,000
 - Final inventory shall be counted as of Closing Date

Net Working Capital

- Net working capital of at least (-\$131,181)
 - Final working capital to be assessed as of Closing Date

Domain Names

- www.GoCalyx.com
- www.CannabisRepNetwork.com
- www.GSGVentures.net
- www.SkyManagementPartners.com

Patents and Copyrights

- None

Licenses

- Fleetmatics Work License
- Microsoft Office License

Leases, Subleases, and Assignment of Leases

- 401 Roland Way, Suite 210, Oakland, CA 94621
 - Held by GSG Ventures (name of Calyx Brands, Inc. prior to 2016 merger).
 - Assignment of lease requires written consent of Lessor
 - Assignment without consent by Lessor is defined as a curable default
 - Consent for Assignment by Lessor shall not be unreasonably withheld

SCHEDULE 2.2(i)
EXCLUDED ASSETS

Tangible Assets

- None

Intangible Assets

- None

Product Inventory

- None

Net Working Capital

- None

Domain Names

- None

Patents and Copyrights

- None

Licenses

- None

Leases, Subleases

- Lease for Property at: 17321 Irvine Blvd. #204, Tustin CA 92780
- Leases for storage units located at:
 - Public Storage Unit, 2587 Marin Street, San Francisco, CA 94124
 - Public Storage Unit #B043, 1551 MacArthur Blvd., Oakland, CA 94602

SCHEDULE 2.2(ii)

EXCLUDED ASSETS: PERSONAL PROPERTY

Personal property used by Calyx management and employees in the normal performance of duties

- 14 Apple iPhones
- 9 Samsung Galaxy phones
- 3 Google Pixel phones
- 11 Apple iPads
- 2 Samsung Galaxy Tab tablets
- 3 Lenovo laptops
- 7 Apple MacBooks
- 4 Dell laptops
- 2 Microsoft surface laptops
- 1 Asus Zenbook laptop
- 1 Google Pixelbook laptop
- 1 Acer Swift laptop
- 1 Brother office printer
- 4 HP home office printers
- 2 Canon home office printers
- 1 Epsom home office printer
- 1 4" Lifetime folding table
- 1 6" Lifetime folding table
- 6 Lifetime folding chairs
- Innumerable phone and laptop chargers
- Two oriental rugs for Oakland office

SCHEDULE 2.3.4(i)

SCHEDULE OF ACCOUNTS RECEIVABLE AS OF DECEMBER 31, 2017

Accounts Receivable By Customer

Customer	Sum of Amount Due
Grass Roots Collective	45900
West Coast Cannabis Club	16400
Harvest	12737.5
DIAMOND BONSAI	11250
SFFOGG	8500
Venice patient Center	6975
Eaze - Emerald City	6612.8
Purple Lotus Patient Center	6525
Fire Trap Delivery	6100
Green Dot Collective	6000
The Kush Outlet	5300
Eaze - Bloom Room	4626.6
Shambhala Healing Center	4250
Eaze - TSM - HTH	3463.4
Ketama	3400
Tweedys Express	3300
KFC Express	3025
Eaze - Torrey Holistics	2880
Eaze Natoma	2731.2
Harvest Mission	2030
Flower Power	1500

Eaze - SPC - Sweetwood	1298.4
Pot Spot Collective	835
Eaze - Urban Leaf	758.4
Coast Highway Caregivers -CHC	650
Tree of Life	600
Canna Baby	472
R Stoned	460
SOS Supplemental Organic Solutions	460
4312 Collective	290
Guild Eaze	278.4
Vista Wellness Center	147
BudManOC	90
Top Shelf Express	80
La Brea Collective-LBC	0
Grand Total	169925.7

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Detailed Aging of Accounts Receivables

Client Name	Job #	Invoice Date	Due Date	Invoice Amount inc Tax, \$	Payment Amount, \$	Amount Due
Canna Baby	3662	4/12/17		\$72.00		\$72.00
Top Shelf Express	4807	7/27/17		\$80.00		\$80.00
Venice patient Center	5230	9/9/17	9/16/17	\$6,975.00		\$6,975.00
Eaze - TSM - HTH	5327	9/15/17	10/27/17	\$1,620.00		\$1,620.00
Eaze - Bloom Room	5328	9/15/17	10/27/17	\$2,565.00		\$2,565.00
Coast Highway Caregivers - CHC	5434	10/3/17	10/10/17	\$650.00		\$650.00
Canna Baby	5489	10/13/17		\$187.50	\$137.50	\$50.00
Eaze - TSM - HTH	5264	10/27/17	11/3/17	\$869.00		\$869.00
Eaze - Bloom Room	5266	10/27/17	11/10/17	\$948.00		\$948.00
Canna Baby	5552	10/30/17		\$225.00	\$175.00	\$50.00
KFC Express	5634	10/31/17	11/20/17	\$550.00		\$550.00
BudManOC	5631	11/8/17		\$360.00	\$270.00	\$90.00
KFC Express	5791	11/21/17	12/4/17	\$350.00		\$350.00
Eaze - Torrey Holistics	5834	11/30/17	12/29/17	\$2,880.00		\$2,880.00
Eaze Natoma	5835	11/30/17	12/29/17	\$1,832.00		\$1,832.00
Eaze - SPC - Sweetwood	5837	11/30/17	12/29/17	\$780.00		\$780.00
Vista Wellness Center	5771	12/1/17		\$296.00	\$149.00	\$147.00
Eaze - Emerald City	5854	12/5/17	1/2/18	\$4,200.00		\$4,200.00
Eaze Natoma	5855	12/5/17	1/2/18	\$528.00		\$528.00
4312 Collective	5937	12/13/17	12/29/17	\$1,600.00	\$1,310.00	\$290.00
KFC Express	5960	12/14/17	12/28/17	\$400.00		\$400.00
Ketama	6000	12/20/17	1/8/18	\$3,400.00		\$3,400.00
Flower Power	5872	12/21/17	12/26/17	\$1,500.00		\$1,500.00
Grass Roots Collective	6024	12/22/17	2/6/18	\$33,900.00		\$33,900.00
Fire Trap Delivery	6037	12/28/17	1/10/18	\$1,000.00		\$1,000.00
KFC Express	6035	12/28/17	1/19/18	\$800.00		\$800.00
Green Dot Collective	6034	12/28/17	1/27/18	\$1,500.00		\$1,500.00
Grass Roots Collective	6039	12/28/17	2/1/18	\$12,000.00		\$12,000.00
Eaze - Emerald City	6152	12/29/17	1/26/18	\$1,206.40		\$1,206.40
Eaze - Emerald City	6088	12/29/17	1/29/18	\$1,206.40		\$1,206.40
Eaze - Bloom Room	6136	12/29/17	1/29/18	\$1,113.60		\$1,113.60
Guild Eaze	6137	12/29/17	1/29/18	\$278.40		\$278.40
Eaze - TSM - HTH	6138	12/29/17	1/29/18	\$974.40		\$974.40
West Coast Cannabis Club	6118	12/30/17	1/30/18	\$2,700.00		\$2,700.00

West Coast Cannabis Club	6120	12/30/17	1/31/18	\$13,100.00		\$13,100.00
Fire Trap Delivery	6124	12/30/17	1/17/18	\$1,200.00		\$1,200.00
KFC Express	6123	12/30/17	1/23/18	\$525.00		\$525.00
Eaze - SPC - Sweetwood	6036	12/30/17	1/29/18	\$518.40		\$518.40
Eaze - Urban Leaf	6038	12/30/17	1/29/18	\$758.40		\$758.40
Eaze Natoma	6139	12/31/17	1/31/18	\$371.20		\$371.20
Shambhala Healing Center	6233			\$850.00		\$850.00
Purple Lotus Patient Center	5836	11/30/17	12/28/17	\$4,275.00	\$525.00	\$3,750.00
SOS Supplemental Organic Solutions	6156	11/30/17	1/9/18	\$460.00		\$460.00
Green Dot Collective	5896	12/9/17	1/5/18	\$2,250.00		\$2,250.00
SFFOGG	5999	12/19/17	12/27/17	\$11,500.00	\$3,000.00	\$8,500.00
KFC Express	6001	12/20/17	1/3/18	\$400.00		\$400.00
Purple Lotus Patient Center	5909	12/21/17	12/26/17	\$2,775.00		\$2,775.00
Fire Trap Delivery	6002	12/22/17	1/11/18	\$3,000.00		\$3,000.00
The Kush Outlet	6028	12/22/17	12/29/17	\$3,000.00		\$3,000.00
DIAMOND BONSAI	6102	12/28/17	12/29/17	\$11,250.00		\$11,250.00
Harvest Mission	6040	12/29/17	1/5/18	\$3,060.00	\$1,030.00	\$2,030.00
Tweedys Express	6130	12/29/17	12/30/17	\$3,300.00		\$3,300.00
La Brea Collective-LBC	5829	12/30/17		\$0.00		\$0.00
Harvest	6041	12/30/17	1/12/18	\$12,737.50		\$12,737.50
Shambhala Healing Center	6046	12/30/17	1/12/18	\$3,400.00		\$3,400.00
Canna Baby	6059	12/30/17		\$300.00		\$300.00
Pot Spot Collective	6077	12/30/17		\$375.00		\$375.00
West Coast Cannabis Club	6128	12/30/17	1/5/18	\$600.00		\$600.00
R Stoned	6141	12/30/17	1/8/18	\$460.00		\$460.00
The Kush Outlet	6143	12/30/17	1/11/18	\$2,300.00		\$2,300.00
Pot Spot Collective	6147	12/30/17	1/9/18	\$460.00		\$460.00
Green Dot Collective	6165	12/30/17	1/5/18	\$2,250.00		\$2,250.00
Tree of Life	6166	12/30/17	1/5/18	\$600.00		\$600.00
Fire Trap Delivery	6180	12/30/17	1/4/18	\$900.00		\$900.00
Total				\$176,522.20	\$6,596.50	\$169,925.70

Provisions for Bad Debts by Customer

Client Name	Job #	Invoice Date	Bad Debt Amount \$
Berkeley Patients' Care Collective	2321	1/6/17	\$8.00
Berkeley Patients' Care Collective	2763	2/16/17	\$18.00
Kinddist Delivery	3005	2/16/17	\$60.00
THE CANNARY	3952	5/5/17	\$2.50
Dobby Delivery	4412	6/16/17	\$0.50
Cannabliss	4656	7/17/17	\$12.25
Foothill wellness center	4832	7/31/17	\$18.22
Top Shelf Express	4922	8/15/17	\$5.50
CBD Honey Stix	Tour Revenue		\$750.00
Eel River Family Farm	Tour Revenue		\$1,000.00
JuJu Royal	Tour Revenue		\$1,591.22
mellow jello	Tour Revenue		\$1,000.00
Piesenberg	Tour Revenue		\$1,000.00
PureGreen DNA	Tour Revenue		\$775.00
Relax Agency	Tour Revenue		\$875.00
Sibannac Life	Tour Revenue		\$1,250.00
The Draper Group, LLC	Tour Revenue		\$280.00
Total			\$8,646.19

SCHEDULE 2.3.4(ii)
SCHEDULE OF INVENTORY AS OF DECEMBER 31, 2017

Inventory Summary

ENDING TOTAL INVENTORY	\$584,700.50
OWNED	\$124,419.86
CONSIGNED	\$460,280.64

Itemized Inventory List

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SCHEDULE 2.6.1
PURCHASE PRICE ALLOCATION

SCHEDULE 3.2.1
CAPITAL STRUCTURE OF CALYX BRANDS

Calyx Brands has issued Convertible Promissory Notes to eleven (11) investors. These Convertible Promissory Notes are only convertible upon Calyx Brands selling its stock in a transaction, or series of transactions, with aggregate proceeds of at least \$1,000,000. As such, the transactions contemplated by the Agreement will not trigger the conversion of the notes into stock.

There are three warrants for the purchase of Calyx Brands' stock outstanding in connection with the Convertible Promissory Notes. However, these warrants are only exercisable upon Calyx Brands selling its stock in a transaction, or series of transactions, with aggregate proceeds of at least \$1,000,000. As such, the transactions contemplated by the Agreement will not trigger the exercise provisions of the warrants.

In 2015, Calyx Brands authorized 1,458,334 shares to be issued pursuant to the terms and conditions of an equity incentive plan for Calyx Brand employees. The shares granted in the options are subject to vesting periods, most of which have not yet fully vested. However, upon the approval of a sale of substantially all of the assets of Calyx Brands by its common shareholders, all shares become fully vested. The remaining, unexercised price for the options are set at \$0.09 per share. As the guaranteed consideration the common shareholders will receive is substantially less than \$0.09 per share, it is unlikely many of the option holders will exercise their options. A copy of all incentive plan documentation, including all agreements associated therewith and the names and number of options held by each option holder have been provided to Buyer.

SCHEDULE 3.2.2
LIST OF SHAREHOLDERS

Preferred Shareholders:

Bruce Sussman
Eleventeen LP
Heather Brown
High Sierra Investments
Hypur Ventures LP
Kauri Capital LLC
S. Wheeler Family Trust
Scott Berman
Stephen Sullivan
Ominsky Living Trust
TL Partners LLC
Walker Bass

Common Shareholders:

Brendan Pickering
Christopher Boudreau
Eleventeen LP
Kauri Capital LLC
Scott Berman
Stephen Sullivan
Steven Humphries
Marc Levine

SCHEDULE 3.2.3

LIST OF MEMBERS OF CALYX DISTRIBUTION AS OF DECEMBER 31, 2017

All membership documents and physician recommendations on file electronically

- Dakota Sullivan
- Stan Jimenez
- Marc Levine
- Jesse Schulman
- Johnny Barrera
- Bethany Walden
- Alex Marin
- Kara Adams
- Hollis Doherty
- Ouija Whittemore
- Lisa Marie Maestas
- Brendan Pickering
- Thomas Fattohi
- Thomas Casarez
- Angel Lozano
- Ruben Lozano
- Annie Sanchez
- Rachel Krechnyak
- Alba Gonzales
- Gemma Hansman
- Torrey Martin
- Alec Jones
- Raina Jackson
- Erin Gore
- Christopher Coggins
- Dean Curtin
- Michael Staudt
- Elvis McGovern
- Abram Yokum
- Mark Edwards
- Christopher Cross
- Matt Cummins
- Lucie Herold
- Krystal Kitahara
- Doug Park

SCHEDULE 3.2.4
SUBSIDIARIES

- None

SCHEDULE 3.5

DEBTS, OBLIGATIONS, AND LIABILITIES AS OF DECEMBER 31, 2017

Accounts Payable - Distribution suppliers

Casa Humboldt	\$0.00
Cirrus	\$0.00
Coast	\$4,839.90
Defonce	\$0.00
Emerald Essence	\$10,710.00
Firefly Joints	\$325.00
Flurish	\$0.00
Foothill River Farm	\$10,063.50
Garden Society	\$31,892.40
Hidden Prairie Farm	\$14,208.50
Houdini	\$33,681.75
Infused Edibles	\$4,182.75
Janes Brew	\$0.00
Krave	\$1,007.16
Leaf of CA	\$0.00
Little Hill Cutivators	\$65,790.00
Nutritional High	\$0.00
Plus	\$181,170.35
Rove	\$0.00
Sir Newtons	\$86.40
Sotheen	\$868.00
Sunnabis	\$5,891.75
Therabis	\$33.57
Timeless	\$0.00
Vive	\$17,400.00
Wholesale MMJ	\$4,469.85
Wild West	\$2,960.00
Willits Valley Farm	\$4,080.00

Total AP - Suppliers **\$393,660.88**

Accounts Payable - Professional Fees

Dave Ominsky	\$71,680.05
Jenn Wells Services Inc	\$3,450.00
Lee Shome Kennedy	\$38,130.00
Thurston Law Firm	\$4,635.00
Osborn McDerby	\$11,920.46
New Era CPA	\$227.50
TAR LLC - Legal	\$1,975.33

Total AP - Professional Fees	\$132,018.34
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Accounts Payable - Independent Contractors

Christine	\$506.00
Johnny	\$2,603.40
Kara	\$2,726.70
Bethany	\$6,827.20
Nate	\$98.40
Alex	\$2,995.83
Hollis	\$2,306.55
Gemma	\$936.00
Ouija	\$739.87
Payroll Taxes AP	\$3,370.17

Total AP - Payroll Liabilities	\$23,110.12
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Expenses Payable - Visa

12/18 statement	\$3,360.19
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Interest Payable

Interest Payable Loan – TAR*	\$2,182.77
Interest Payable - Convertible Note #1*	\$32,918.23
Interest Payable - Convertible Note #1*	\$2,713.09

* See 123117 Listing of all outstanding debt by party for details

December 31, 2017 Listing of All Outstanding Debt by Party
(All attached tables have been provided to Buyer in the due diligence files)

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SCHEDULE 3.6
TAX RETURNS AND AUDITS

- There was a lien with the IRS due to a mistake in filings, for which the mistake has since been rectified. Copies of all documentation regarding the IRS lien has been disclosed to Buyer in its investigation and due diligence.

SCHEDULE 3.7.1.1
REAL PROPERTY

Real Property Owned by Selling Parties:
None

Real Property Leased, Occupied and Used by Selling Parties:

- 401 Roland Way, Suite 210, Oakland, CA 94621
 - Held by GSG Ventures (name of Calyx Brands, Inc. prior to 2016 merger)
 - Assignment of lease requires written consent of Lessor
 - Assignment without consent by Lessor is defined as a curable default
 - Consent for Assignment by Lessor shall not be unreasonably withheld

- 17321 Irvine Blvd. #204, Tustin CA 92780
 - Held by GSG Ventures (name of Calyx Brands, Inc., prior to 2016 merger)
 - Assignment of lease requires written consent of Lessor
 - Assignment without consent by Lessor renders lease null and void
 - Consent for Assignment by Lessor shall not be unreasonably withheld

- Public Storage Unit, 2587 Marin Street, San Francisco, CA 94124
 - Assignment of lease requires written consent of Lessor

- Public Storage Unit #B043, 1551 MacArthur Blvd., Oakland, CA 94602
 - Assignment of lease requires written consent of Lessor

SCHEDULE 3.7.2
ENCUMBRANCES ON INVENTORY OR
HELD BY CONSIGNMENT FROM OTHERS

- All inventory of Selling Parties subject to the lien and security interest pursuant to the TAR, LLC secured promissory note.

SCHEDULE 3.7.3

TANGIBLE PERSONAL PROPERTY SUBJECT TO ENCUMBRANCES

- All assets of Selling Parties are subject to the lien and security interest pursuant to the TAR, LLC secured promissory note.

SCHEDULE 3.7.5
INTELLECTUAL PROPERTY

Domain Names Subject to Subscription Renewals for Use

- www.GoCalyx.com
- www.CannabisRepNetwork.com
- www.GSGVentures.net
- www.SkyManagementPartners.com

Assets granted under licenses or other rights, and may not have the right to make, use sell, sell offer to sell, import, export, copy, publicly display, publicly perform, create derivative works of, distribute, license, and bring actions for the infringement of the assets and all Intellectual Property Rights associated with them:

- Fleetmatics Work License
- Microsoft Office License

SCHEDULE 3.7.6
OTHER INTANGIBLE PROPERTY

Historic and current sales data

- Sales by retailer
- Sales by product
- Sales by brand
- Sales by category
- Sales velocity
- Retailer demand data
- Inventory levels
- Any combination of the above (sales by product by region)
- Any of the above combined with time period

Historic and current vendor data

- Negotiated distributor pricing for any brand or product
- Vendor contract details

Financial data

- Revenue
- Margins
- Profitability or burn rate
- Working capital
- Pro forma revenue projections
- Short and long-term debt

Employee data

- Sales by sales representative
- Employee compensation

Company and competitive data

- Company planning and strategy
- Details of current and potential partnerships

SCHEDULE 3.8

TITLE TO ASSETS; SUFFICIENCY OF ASSETS

- All assets of Selling Parties are subject to the lien and security interest pursuant to the TAR, LLC secured promissory note.

SCHEDULE 3.9
CUSTOMERS WITH SALES IN EXCESS OF \$2,000

Many of these customers are permitted locally and at the state level—or are in the process of becoming permitted—and will continue to be customers of Calyx Brands.

Others have not secured—or will be unable to secure—permitting/licensing and will either a) be shut down by authorities, or b) Calyx will be unable to service them per State regulations for wholesale distributors.

At this time, we are evaluating but do not have a comprehensive picture of which stores definitively fall into each category given the number of retailers impacted.

2017 Sales by Customer Summary

Customer		2017 Sales	% of Total
MedMen	\$	129,339	5.5%
Harvest	\$	80,279	3.4%
Grass Roots Collective	\$	72,720	3.1%
Caliva	\$	32,276	1.4%
Ketama	\$	29,790	1.3%
Emerald Phog	\$	29,492	1.3%
Purple Lotus Patient Center	\$	29,380	1.3%
West Coast Cannabis Club	\$	28,472	1.2%
Foothill wellness center	\$	28,269	1.2%
Lemon Greens	\$	27,719	1.2%
Sure Fyre	\$	26,649	1.1%
The Healing Center	\$	25,489	1.1%
Dobby Delivery	\$	25,284	1.1%
THE CANNARY	\$	24,301	1.0%
Kind Peoples	\$	24,287	1.0%
805 alternative wellness	\$	24,264	1.0%
Customers <1% each	\$	1,696,052	72.7%
Total	\$	2,334,059	100.0%

2017 Sales by Customer Details

Row Labels		Sum of Invoice Amount Including Tax
MedMen	\$	129,339.15
Harvest	\$	80,279.20
Grass Roots Collective	\$	72,720.00
Caliva	\$	32,276.00

Ketama	\$	29,790.00
Emerald Phog	\$	29,492.00
Purple Lotus Patient Center	\$	29,380.00
West Coast Cannabis Club	\$	28,471.50
Foothill wellness center	\$	28,268.72
Lemon Greens	\$	27,719.00
Sure Fyre	\$	26,648.50
The Healing Center	\$	25,489.00
Dobby Delivery	\$	25,283.50
THE CANNARY	\$	24,300.50
Kind Peoples	\$	24,287.00
805 alternative wellness	\$	24,263.50
Lucky Greens Collective	\$	23,885.00
New Med Collective	\$	21,420.00
HighSpot	\$	21,339.50
CONFIDENTIAL BIOTHERAPIES	\$	21,291.75
KFC Express	\$	21,202.00
Eaze - Bloom Room	\$	21,164.40
Fire Trap Delivery	\$	20,143.00
Eaze - Emerald City	\$	20,126.80
SFFOGG	\$	20,115.00
Charlottes Web Cafe	\$	19,915.50
Future2Labs	\$	19,400.00
Green Dot Collective	\$	18,917.00
Airfield Supply Co.	\$	18,522.50
Tranquility Health Collective	\$	18,444.00
Vallejo Holistic Health Center (VHHC)	\$	18,098.50
Mission Organic	\$	17,392.00
Green Port Express	\$	16,562.00
Apothekare	\$	16,519.00
PMC Pacoima Medical Collective	\$	16,275.00
Buds and Roses	\$	16,261.00
The Living Earth Wellness Center	\$	16,211.50
Flower Power	\$	15,712.50
The Weed Spot	\$	15,512.50
Shambhala	\$	15,312.30
Eaze - TSM - HTH	\$	14,299.40
Top Shelf Express	\$	14,292.50
Mankind CoOp	\$	14,004.00
Okun THC	\$	13,802.00
Harvest moon Deliveries	\$	13,327.00
White Fire	\$	13,268.75
Harbor Collective MMCC	\$	13,107.50
Vista Wellness Center	\$	13,073.00
The Kush Outlet	\$	12,820.00
Real Remedies	\$	12,725.00

The Green Cross	\$	12,665.50
Herbal Pain Relief Center	\$	12,519.00
New Age Botanicals	\$	12,451.50
Marina caregivers	\$	12,175.00
Broccoli House	\$	12,124.25
SOS Supplemental Organic Solutions	\$	11,983.00
The Bionosphere	\$	11,941.00
Harvest Mission	\$	11,751.00
Harborside Health Center	\$	11,712.00
Cal State Collective	\$	11,634.50
BudManOC	\$	11,583.00
Marin Garden	\$	11,381.00
DIAMOND BONSAI	\$	11,250.00
West Valley Caregivers	\$	11,162.00
STC Alternative Healing	\$	11,088.50
NHPR - Natural Herbal Pain Relief	\$	10,775.00
Barbary Coast	\$	10,688.00
Venice patient Center	\$	10,498.00
The Green Door	\$	10,443.00
Grasshopper delivery	\$	10,365.00
Cornerstone	\$	10,296.00
Mike Harris	\$	10,191.50
Best Buds 916	\$	10,074.00
Weedrive Delivery	\$	10,057.00
Cannabliss	\$	9,687.50
Commune	\$	9,350.00
Canna Plus 420	\$	9,232.00
4312 Collective	\$	8,998.50
ThirdEye Wellness	\$	8,725.00
Hollywood meds	\$	8,661.00
Greenly	\$	8,639.00
MedEx	\$	8,540.00
Marin Collective	\$	8,525.00
Petaluma Patient Care	\$	8,450.00
Cam 420	\$	8,409.25
Releaf Alternative Healing	\$	8,300.00
Connoisseur Direct	\$	8,156.00
Herbal Solutions Harbor City	\$	8,081.50
Medexpress OC Delivery	\$	7,826.00
Bonsai Buds Collective	\$	7,643.00
Sylmar Holistic Center (SHC)	\$	7,632.50
Marygold delivery	\$	7,587.50
Pure Life Collective	\$	7,510.50
Canna Baby	\$	7,466.75
The Guild San Jose	\$	7,344.00
Zente Farms- Medical	\$	7,094.50

Berkeley Patients' Care Collective	\$	7,021.50
Sparc	\$	6,948.00
Safe Capitol Compassion	\$	6,825.00
ERBA	\$	6,778.00
Mercy Wellness	\$	6,730.00
Purple Star MD	\$	6,692.00
La Mesa Med's	\$	6,649.75
MMC	\$	6,360.00
HSBN Cooperative Inc	\$	6,296.00
Peoples OC	\$	6,153.00
The Happy Cat Collective	\$	6,145.00
Tweedys Express	\$	6,102.50
Blake Woodland	\$	6,027.00
Quality Genetix	\$	5,892.00
Club M	\$	5,828.00
San Pedro's Finest	\$	5,525.00
DC Collective	\$	5,506.50
GARDEN OF EDEN	\$	5,250.00
CCO	\$	5,241.00
Atmospheric Wellness	\$	5,181.50
Eastlake Greens Collective	\$	5,095.00
Hollywood 4906	\$	5,046.00
Community Green	\$	4,971.00
Green Dragon Caregivers	\$	4,910.00
Vista Patient Care	\$	4,795.00
Zen Garden Wellness	\$	4,780.00
Delta 9 Collective - Van Nuys	\$	4,780.00
Exhale Med Center	\$	4,741.00
The Herb Collective	\$	4,737.00
Big Ass Buds	\$	4,606.50
Green Earth Farmacie	\$	4,574.00
Green Ridge Organics	\$	4,570.00
Hollyweed Farms	\$	4,533.50
KALI DREAM MEDS	\$	4,434.00
OG Deliveries	\$	4,406.00
Pasadena Alternative care	\$	4,404.00
Kind Courier	\$	4,356.00
Humble Root	\$	4,321.00
Just Believe Delivery	\$	4,283.50
Shambhala Healing Center	\$	4,250.00
Greenbook remedies	\$	4,218.50
The Garden Secrets	\$	4,152.00
AHPS	\$	4,088.00
Natural remedies	\$	4,033.00
Johnny Barrera	\$	3,925.00
Canna Care	\$	3,910.00

The Reserve 619	\$	3,804.50
Sonoma Patient Group	\$	3,780.00
Get Happy Deliveries	\$	3,757.50
LA Delivery	\$	3,742.00
Canna On The Spot	\$	3,735.00
Green Cross	\$	3,672.00
Terpene Haven Collective	\$	3,630.00
CRM Collective	\$	3,527.00
Green Express	\$	3,525.00
MV HEALTH SOLUTIONS	\$	3,400.15
Jenasis Medical Group	\$	3,393.00
Urban Pharm	\$	3,390.50
The Compton Chronic	\$	3,390.00
Better Health Group	\$	3,360.00
Green Valley Collective	\$	3,355.00
Confidential Biotherapy Deliveries	\$	3,261.00
Cloud 9	\$	3,190.00
Circle of Hope	\$	3,110.00
R Stoned	\$	2,996.00
The Peoples Remedy	\$	2,930.00
La Mesa's Finest	\$	2,925.00
M Delivers	\$	2,920.00
Gold Country Confidential	\$	2,908.00
Granny Purps	\$	2,900.00
Eaze - Torrey Holistics	\$	2,880.00
Kinddist Delivery	\$	2,869.50
House of Kolorz	\$	2,850.00
Balboa Ave CoOp	\$	2,837.00
Silver Lake Caregivers Group	\$	2,829.00
Pot Spot Collective	\$	2,815.00
Free Wax- Sacramento	\$	2,800.00
Plugd In	\$	2,780.00
THC Holistics	\$	2,774.00
Bloom room	\$	2,760.00
Eaze Natoma	\$	2,731.20
Zen West Hollywood	\$	2,700.00
Green Angel	\$	2,700.00
Dr. Roberts Delivery	\$	2,680.00
Anaheim Patient Care (APC)	\$	2,664.00
Westpoint Medicinal	\$	2,650.00
The Higher Path	\$	2,646.00
Andy's Delivery	\$	2,560.00
Dutchman's Flat	\$	2,536.50
UNITY OF ONAC	\$	2,500.00
Green Tree Remedy	\$	2,472.00
Cool calm & collective	\$	2,410.00

Lapcg	\$	2,385.00
Eaze - SPC - Sweetwood	\$	2,348.40
THC - The Holistic Center	\$	2,219.00
Herbal solutions	\$	2,212.00
Diamond Meds	\$	2,198.50
Turning Leaf Club	\$	2,197.50
Garden Ablaze	\$	2,167.00
MoVal Members Only	\$	2,160.00
Divine Wellness Center	\$	2,104.00
Weeconnect	\$	2,092.00
Habibi Meds	\$	2,065.00
Mary Jane Collective	\$	2,036.50
Jill/Traci Amen	\$	2,029.50
OD Delivery	\$	2,019.50
Foothill Health and Wellness	\$	2,014.50
Nate-I.E. Distribution	\$	2,009.00
The Cure Lab	\$	1,997.50
UFD Apothecary	\$	1,980.00
Organic Kind LA	\$	1,980.00
7 Stars Holistic Healing Center	\$	1,973.00
Point Loma Patient Co Op	\$	1,970.00
Best Buds	\$	1,965.00
Oakland Community Partners	\$	1,961.00
Smoke Signal Alternative	\$	1,956.00
Mammoth Lakes Wellness	\$	1,940.00
Healthy Living	\$	1,925.00
No Gravity	\$	1,905.00
Allied Ranch & Farming	\$	1,900.00
Green Door West	\$	1,896.00
GW Inc	\$	1,849.50
Riamba Collective	\$	1,835.25
SCC DBA Universal	\$	1,834.00
Stone Age Pharmacy	\$	1,809.00
Herb Delivery	\$	1,800.00
Green Gold Cultivators	\$	1,776.00
Igzactly 420	\$	1,757.50
La Brea Collective-LBC	\$	1,730.00
VHC Van Nuys Pre-Ico	\$	1,725.00
Hezekiah Incorporated	\$	1,725.00
Green goddess collective	\$	1,641.00
Emerald Phog	\$	1,612.50
Mr Green Collective	\$	1,600.00
Kind Aid Plus	\$	1,600.00
Reseda Discount Caregivers	\$	1,568.00
Mr. Nice Dude	\$	1,550.00

Bonafide Collective	\$	1,547.00
ASX Group INC	\$	1,542.50
Desert Organic Solution	\$	1,540.00
Ryan Pearlmann	\$	1,514.00
Three Birds Delivery	\$	1,507.00
Vallejo Relief Center	\$	1,500.00
SCC	\$	1,500.00
5S Greenery (aka The High Side)	\$	1,500.00
Mecca	\$	1,476.00
Huntington Beach Green Wave	\$	1,464.00
House of Champions	\$	1,464.00
El Cajon Collective	\$	1,423.00
Lucky 7	\$	1,400.00
Cannabis Wellnes Center	\$	1,400.00
Select Supply	\$	1,398.00
Lion Tribe Healing Center	\$	1,391.50
The Green Element	\$	1,372.00
Fast n Friendly	\$	1,368.00
Marin Gardens	\$	1,360.00
Healing express	\$	1,355.00
Smokefaces Delivery	\$	1,350.50
Hollywood Top Shelf	\$	1,331.00
Cowboys Club	\$	1,317.50
Green Light District (GLD)	\$	1,304.00
Coachella Valley Church	\$	1,300.00
Coast Highway Caregivers -CHC	\$	1,300.00
Kush Collective	\$	1,280.00
West Manor Wellness	\$	1,275.00
SFVPC	\$	1,267.00
The laughing leaf	\$	1,266.00
OMG Group inc	\$	1,245.00
PCH (Show Grow)	\$	1,238.00
CC101	\$	1,236.00
Humbolt Patient Resource Center (HPRC)	\$	1,224.00
Goddess Delivers	\$	1,212.00
Green Valley Collective PreIco	\$	1,200.00
Lifted 420	\$	1,190.00
3PMLive	\$	1,180.50
Higher Level of Care	\$	1,176.00
Stache Spot	\$	1,173.50
Sticky Thumb	\$	1,170.00
Pristine Green	\$	1,164.00
Kushfly	\$	1,123.20
7Solstice Collective	\$	1,120.00
All about Wellness	\$	1,104.00

LA Patient Dispensary AKA 2am		
Dispensary	\$	1,100.00
Octavia wellness	\$	1,074.00
Quality Therapeutics	\$	1,060.00
Surf City	\$	1,058.00
California Free Trade	\$	1,050.00
Wellijuana Pharmacy	\$	1,049.00
Universal Caregivers	\$	1,047.00
High Healerz	\$	1,008.00
HB Pharmacy	\$	1,008.00
Goodlife Collective	\$	1,001.00
A plus organics	\$	1,000.00
Green House RX	\$	1,000.00
CBDs	\$	997.50
Telegraph Health Center	\$	996.00
Gladiator Apothecary	\$	991.00
South Bay Delivery	\$	984.00
California Caregivers Alliance	\$	984.00
Nice guys delivery Marin	\$	975.00
Kush LA Collective	\$	970.00
Canna Causes	\$	962.50
Bay Care Delivery	\$	960.00
Power Plant	\$	959.00
MMD	\$	956.00
Norcanna	\$	952.00
Luxe Holistics	\$	952.00
Herbal Remedies 215 - Castro Valley	\$	930.00
Mary Gold Delivery	\$	920.00
Golden State Health Alliance	\$	912.00
WEED - Wellness Earth Energy		
Dispensary	\$	908.00
Nohos Finest	\$	906.00
Quality Organix	\$	900.00
Dubs Green Garden	\$	900.00
cloud nine delivery	\$	900.00
420 Central	\$	900.00
Tranquil Essence	\$	890.00
Green Team Delivery	\$	880.00
Almighty Meds Collective	\$	878.50
Strain Station	\$	876.00
Cathedral City Care Collective	\$	876.00
Top Flight	\$	875.00
Holistic Healing Care	\$	875.00
99 High Tide	\$	858.00
Herbal Cruz	\$	852.00
mr nice dude	\$	850.00

Cali Faithful	\$	850.00
Pleasure Principles	\$	848.50
The Kind Center Inc	\$	846.00
Captain Jacks	\$	844.00
Venice Beach care center	\$	840.00
Pacific Coast Health	\$	831.00
B & B Collective	\$	827.00
Plentree	\$	823.50
ShowGrow DTLA	\$	816.00
BSE Pre-ICO	\$	816.00
Top Shelf	\$	810.00
BARC- Beverly Alternative Relief	\$	803.00
Zenful Minds Collective	\$	800.00
Bodhi Pharma	\$	795.00
Pot Valet	\$	792.00
Greenwolf	\$	792.00
Alternative Wellness Organics	\$	785.00
Strain Balboa	\$	778.00
Golden leaf	\$	767.00
POT ROCKET	\$	765.00
Eaze - Urban Leaf	\$	758.40
CTD Collective	\$	756.00
Tree House Balboa	\$	750.00
PAC - Patients Alternative Caregivers	\$	748.00
The Grove Collective	\$	744.00
Show Grow Santa Ana	\$	744.00
Delta 9 PreIco	\$	744.00
Green Pearl Organics	\$	743.00
Terpland	\$	740.00
Abatin Wellness Center	\$	737.50
Herb's	\$	724.00
Ona Life	\$	720.00
Anaheim Patient Care	\$	708.00
High House Collective	\$	700.00
TCCG Corp	\$	696.25
Purelife alternative wellness	\$	696.00
Herb Culture Delivery	\$	684.00
Cali Connect	\$	675.00
Emily G	\$	675.00
Ganjarunner	\$	672.00
Seaweeds	\$	669.00
HOTN	\$	660.00
Love Bud	\$	658.50
Normandie Collective	\$	650.00
Ganja runner	\$	650.00
American Cannabis Company	\$	648.00

Telegraph Health Center (THC)	\$	636.00
Swans Cannabis	\$	625.00
Harborside Medical Center	\$	625.00
Treats Dispensary	\$	624.00
Bigfoot Private Reserve	\$	624.00
Coast to Coast Collective	\$	615.00
Roze City Wellness	\$	612.50
PSA Organic	\$	612.00
Rapid Relief	\$	602.00
GMC	\$	601.00
The Marijuana Factory	\$	600.00
Kush Valley Collective	\$	600.00
Tree of Life	\$	600.00
Landmark collective	\$	600.00
JHT Delivery	\$	600.00
3SPCA	\$	600.00
Apple Box Collective	\$	594.00
Rose Collective	\$	588.00
Native Culture	\$	588.00
Kara Adams	\$	588.00
LA Med's 4 Less	\$	577.50
Elevated Greens	\$	555.00
Waterloo Wellness	\$	552.00
High quality remedies	\$	535.00
Kushmart	\$	528.00
Green Goblinz	\$	528.00
Blum Oakland	\$	525.00
Nic Albritton	\$	519.00
On My Way Collective	\$	516.00
SDC	\$	504.00
California Alternative Caregivers	\$	504.00
Zen NoHo	\$	492.00
Tulare Alternative Relief	\$	492.00
CALI CONNECT GREEN ROOM	\$	492.00
Hollyweed	\$	488.00
Phytologie Wellness	\$	487.20
Whittier Daily Greens	\$	480.00
SuperClinik	\$	480.00
Nugrunner	\$	475.00
Green Depot	\$	475.00
The Magic Carpet	\$	470.00
Cream of the Crop OC	\$	468.00
Tri Star Organics	\$	450.00
Venice Medical Center	\$	450.00
The Breakroom	\$	439.00
Kyle Sosnowski	\$	432.00

Solful	\$	420.00
Westside Organic Delivery	\$	420.00
Standard Living Collective	\$	420.00
The Rose Collective	\$	414.00
Golden State	\$	408.00
SFVDM	\$	405.00
OB Club	\$	405.00
25 Hr Kushness	\$	405.00
SloGro805 (Jessica)	\$	404.00
In The Weeds	\$	401.00
Westside Meds	\$	400.00
Quad City Essentials	\$	400.00
Dank factory	\$	400.00
Cannvis Delivery	\$	400.00
Highway 29 Health Care	\$	397.00
SoCal AMC - Ken & Tyler Schauer	\$	396.00
MoVal 30 CAP	\$	396.00
Holistic Natural Healing HNH	\$	396.00
Elaine Russo	\$	396.00
Charlita Brown (Euphorium)	\$	396.00
Westside Caregivers Club	\$	386.00
Natural Wellness Foundation	\$	382.50
Frank Lynch	\$	382.00
CCCN	\$	381.00
New Generation	\$	378.00
Palm Springs Safe Access	\$	372.00
True Farma	\$	367.80
Posh Green Delivery	\$	366.00
Theraleaf Relief Inc	\$	360.00
Western Caregivers	\$	360.00
Purelife Alternative Wellness Center	\$	360.00
CAPS Palm Springs	\$	360.00
Flame and Leaf	\$	360.00
karina e.	\$	352.50
Safe Access Delivery	\$	350.00
Health Stop	\$	350.00
Blue Mountain Collective	\$	348.00
Bellflower Garden	\$	342.00
Members Only Delivery	\$	340.00
Greenbridge Patient Collective	\$	314.00
Earth Source Healing Deliveries	\$	304.00
Thirty 1 Terps	\$	300.00
STONEY PIONT	\$	300.00
Purple stallion	\$	300.00
LENNOX COLLECTIVE	\$	300.00
KUSH FACTORY	\$	300.00

Chief's Choice Holistic Greens	\$	300.00
Fuzzy Gardens	\$	300.00
Better Buds LA	\$	300.00
CBD INC	\$	300.00
The Relief	\$	288.00
GREEN LIGHT MEDICAL	\$	288.00
Guild Eaze	\$	278.40
LA Confidential Caregivers	\$	276.00
La Luna	\$	276.00
Cannafornia Health Group	\$	276.00
Harvest off Mission	\$	270.00
Alohigh Collective	\$	269.50
High Trails Sunland	\$	265.00
Urban treez	\$	264.00
Kush Mart	\$	264.00
Kaya Collective	\$	264.00
rachel k	\$	260.00
The Fav	\$	255.00
Sunset Herbal Corner	\$	255.00
LED LLOYD DELIVERY	\$	255.00
Blue Bird Delivery	\$	255.00
Haze	\$	250.00
angel l.	\$	246.00
Purple Heart Patient Center	\$	240.00
High End Xpress	\$	230.50
O.D. Delivery	\$	228.00
Organic Greens Collective	\$	228.00
mother natures remedy	\$	225.00
Potroll Collective	\$	225.00
All Natural Inc.	\$	225.00
Hempfields Patient Collective	\$	220.00
Higher Healing Helpers	\$	211.50
Happy Leaf	\$	210.00
Peace of Green -POG	\$	200.00
Herbal Remedies	\$	200.00
Top Tier Trees	\$	196.50
Grasshopper SF	\$	196.25
Mom and Crops Collective	\$	194.50
Cookie Co 415	\$	190.00
Southern Cal Wellness Center	\$	180.00
TRC	\$	168.00
Canna Cabana 420	\$	165.00
The Higher Collection	\$	162.50
XOXO Collective	\$	150.00
TURTLE CLUB EXPRESS	\$	150.00
PB Delivery	\$	150.00

Humboldt Farmacy	\$	150.00
Hardnox	\$	150.00
Cloneville	\$	140.00
Mi-Care Meds	\$	138.50
California Cannabis Delivery	\$	137.50
Mary Jane's	\$	132.00
CCC	\$	127.00
1841 El Camino Ave	\$	125.00
La Dank	\$	120.00
Reefside Health Center	\$	112.50
The Cookie Co. 415	\$	105.00
infused delivery guy	\$	105.00
Landmark Research Collective	\$	100.00
DTPG	\$	90.00
Nu Remedy Health Care	\$	84.00
Monthly Munchies	\$	83.00
Spaulding Collective Care	\$	80.00
The Way	\$	77.00
Five Point Therapies	\$	75.00
wendy n	\$	73.50
Spot	\$	70.00
OCPC	\$	60.00
Green Lyte	\$	52.00
DTHC	\$	40.00
Alba	\$	37.50
CRUZ O.	\$	27.00
annie s	\$	21.00
(blank)		
Grand Total	\$	2,334,059.47

List of Largest Suppliers

Starting Invoice Date	1/1/17		
Ending Invoice Date	10/31/17		
		STILL WORKING WITH?	CONTRACT OR COD
Supplier	COGS		
Plus Gum	\$194,206.00	YES	CONTRACT
Leaf CA	\$131,742.20	YES	CONTRACT
Venus Partners/Foria	\$91,211.20	NO	NA
Enjoyable Edibles	\$87,121.35	YES	COD
Eureka Vapor	\$72,880.20	YES	COD

Hidden Prarie Farms	\$67,258.75	NO	NA
Yummi Karma	\$66,597.60	NO	NA
Foothill River Farm	\$58,358.75	YES	CONTRACT
Infused Edibles	\$50,272.05	YES	COD
CannaCandy's	\$42,332.50	YES	COD
Krave Extracts	\$37,043.93	YES	CONTRACT
Sunnabis	\$36,279.65	NO	NA
House of Jane	\$36,023.80	NO	NA
Mile High Farms	\$35,425.00	NO	NA
Defonce Chocolatier	\$33,784.00	NO	NA
Timeless Refinery	\$28,803.25	NO	NA
Wholesale MMJ	\$26,041.50	NO	NA
Little Hill Cultivators	\$25,118.50	YES	CONTRACT
Wholesale MMJ	\$26,041.50	NO	NA
Seven Leaves Farm	\$23,225.00	YES	CONTRACT
Coast Pre-Rolls (Haven West)		YES	CONTRACT
Proanti Water		YES	CONTRACT
Indulge Vapes (GBS)		YES	CONTRACT
Fli Vapes (Nutritional High International)		YES	CONTRACT PENDING
Vive		YES	CONTRACT
Garden Society		YES	CONTRACT
Sootheen		YES	COD
Original Nectar		YES	COD
Dab Face Concentrates		YES	COD
Extract Harmony		YES	COD
GreenWave		YES	COD
Firefly		YES	COD
Mighty Meds		YES	COD

SCHEDULE 3.10
EMPLOYMENT CONTRACTS AND BENEFITS

General Summary

Calyx Brands, Inc. Employees Subject to Employment Agreements: Marc Levine, Jessica Schulman, Johnny Barrera, Bethany Walden, Alexander Marin. All employees under such employment agreements are eligible to receive a base salary, commission, bonuses, incentives, and participated in the 2015 Equity Incentive Plan. A copy of such documents have been provided to Buyer.

Listing and Description of Employees and Contractors of Selling Parties

[This Space Intentionally Left Blank - Listing and Description of Employees and Contractors of Selling Parties to Follow]

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SCHEDULE 3.11
CLAIMS PENDING UNDER INSURANCE POLICIES

Only one claim since our founding in 2015.

Current claim for robbery of a San Francisco storage unit, being paid by Sedgewick Insurance, claims administrator for New Hampshire Insurance Company, the insurer for Calyx's storage insurance.

Insured : Bethany Walden/Calyx Brands

Date of Loss : 09/19/2017

Type of Loss : Burglary

Claim Number : 30178724810-0001

Sedgewick has approved payment of \$5,000, minus a \$100 deductible, the maximum amount for which the storage locker was insured. They have promised payment by some time in January, 2018.

SCHEDULE 3.12
OTHER CONTRACTS

- No other contracts – all contracts disclosed and copies thereof made available to Buyer in the due diligence folders provided to Buyer.

SCHEDULE 3.14

LITIGATION

Matter of Gemma Hansman, CHP Citation #DC43592, CEN 7833474.

- Selling Parties are not a party to this matter, but it does involve one of Calyx Distribution's contractors while acting in the scope of employment.
- Buyer has been given an opportunity to review, and provided a copy of all documents in the possession of Selling Parties relating to this matter.

SCHEDULE 3.15
BREACH OR VIOLATION

The following will be affected and accelerate the maturity of indebtedness of Selling Parties, but the approval and outstanding debts have been accounted for:

- TAR, LLC Secured Promissory Note
- The Eleven (11) Convertible Promissory Notes between Calyx Brands, Inc., for which the holders of the notes have been previously disclosed to Buyer by Selling Parties.

SCHEDULE 3.16
AUTHORITY AND CONSENTS

Transaction must be approved by:

- TAR, LLC pursuant to the TAR LLC secured promissory note.

SCHEDULE 3.18

PERSONNEL

Calyx Brands Directors: Stephen "Dakota" Sullivan
Christopher Male
Ramie Tritt

Calyx Brands Officers: Stephen "Dakota" Sullivan, Chief Executive Officer -- \$120,000
Stan Jimenez, Vice President of Operations -- \$150,000

Calyx Brands Employees: Jessica Schulman, Sr. Director Licensing/Compliance --\$55,000
Johnny Barrera, Purchasing Manager -- \$45,000
Bethany Walden, Northern California Sales Director -- \$56,000 +
commission
Alexander Marin (new), Southern California Sales Director --
\$48,000 + commission

Calyx Dist. Contractors: Kara Adams, Account Exec -- \$24,000 + commission
Hollis Doherty, Account Exec -- \$30,000 + commission
Lisa Maria Maestas, Account Exec -- \$30,000 + commission
Brendan Pickering, Account Exec -- \$30,000 + commission
Ouija Whittemore, Commission-only Account Exec
Nic Albitron, Commission-only Account Exec
Thomas Fattohi, Warehouse Manager -- \$40,000
Thomas Casarez, Driver – P/T \$11/hour
Reuben Lozano, Driver – P/T \$15/hour
Annie Sanchez, Driver – P/T \$15/hour

SCHEDULE 3.19
INFORMATION FOR BUYER'S SHAREHOLDERS

Founded in February, 2016, Calyx Brands, Inc., is a leading wholesale distributor of cannabis products across California. Calyx represents more than 20 leading brands of packaged goods including Plus Gum, Therabis Pet CBD, Garden Society edibles, JuJu Royal, Krave Extracts, Wild West Extracts and Proanti CBD water. Calyx also represents more than 20 farms for artisanal packaged whole flower, including Emerald Cup and Cannabis Cup award winners Little Hill Cultivators, Sunnabis Full Sun Farms, Hidden Prairie Farms, Caliva, Foothill River Farms, LEAF and many others. Calyx Brands services more than 400 brick and mortar dispensaries and delivery services statewide, through a sales force of ten field sales representatives utilizing mobile ordering and inventory checking technology plus inside sales, all supported by a network of transportation and warehousing professionals.

SCHEDULE 14.2.1(iii)

LITIGATION ON CLOSING DATE THAT COULD POSSIBLY RESULT IN AN UNFAVORABLE JUDGMENT

- None