

SHARE EXCHANGE AGREEMENT

THIS AGREEMENT is made effective August 28, 2018

AMONG:

WESTCOT VENTURES CORP., a company incorporated under the laws of British Columbia with an office at Suite 1080, 789 West Pender Street, Vancouver, British Columbia, V6C 1H2

("Westcot")

AND:

MMJ TECHNOLOGIES INC., a company incorporated under the laws of British Columbia with its registered office located at Suite 307, 1477 West Pender Street, Vancouver, British Columbia, V6G 2S3

("MMJ")

AND:

THE HOLDERS OF SHARES ISSUED BY MMJ as listed in Schedule "A" attached hereto

(Collectively, the "MMJ Shareholders")

WHEREAS:

- A. The MMJ Shareholders are the owners of all of the issued and outstanding shares issued by MMJ (the "**MMJ Shares**"); and
- B. Westcot wishes to purchase all of the issued and outstanding shares of MMJ from the MMJ Shareholders in exchange for Westcot shares (as defined herein), upon and subject to the terms and conditions set forth in this Agreement.

NOW THEREFORE THIS AGREEMENT WITNESSES that, in consideration of the covenants and agreements herein contained, the parties hereto do covenant and agree each with the other as follows:

1. INTERPRETATION

1.1 Defined terms – The following terms have the following meanings in this Agreement:

- (a) "**Acquisition**" means the acquisition of all of the MMJ Shares by Westcot in exchange for Westcot Shares, pursuant to the terms and conditions of this Agreement;

- (b) "**Applicable Laws**" means all applicable rules, policies, notices, orders and legislation of any kind whatsoever of any Governmental Authority having jurisdiction over the transactions contemplated hereby or the parties to this Agreement;
- (c) "**Business Day**" means any day except Saturday, Sunday or a statutory holiday in Vancouver, British Columbia, Canada;
- (d) "**Cash Payment**" has the meaning ascribed to that term in Section 2.2(a);
- (e) "**Closing**" means the completion of the Acquisition on the Closing Date pursuant to the terms and conditions contained in this Agreement;
- (f) "**Closing Date**" means the date all the conditions outlined in section 4 are satisfied or such other date as determined by the mutual agreement of the parties hereto;
- (g) "**Encumbrances**" means mortgages, charges, pledges, security interests, liens, encumbrances, actions, claims, liabilities, demands and equities of any nature, including without limitation, any liability for accrued but unpaid taxes;
- (h) "**Exchange Ratio**" means 2.0505005 MMJ Shares for each Westcot Share, upon and subject to the terms and conditions of this Agreement;
- (i) "**Financing**" means one or more non-brokered private placement financings of Units in the capital of Westcot, to be conducted by Westcot to raise proceeds of a minimum of \$3,000,000 on a post-Forward Split basis, with each Unit consisting of one Westcot Share and one half of one Westcot Warrant.
- (j) "**Forward Split**" means a stock split of Westcot's issued and outstanding common shares on the basis of (2) new post-Forward Split Westcot common shares being issued for every (1) pre-Forward split Westcot common share held prior to the Forward Split date, as completed on July 17, 2018;
- (k) "**Governmental Authority**" means any government or governmental, administrative, regulatory or judicial body, department, commission, authority, tribunal, agency or entity;
- (l) "**Material Adverse Effect**" or "**Material Adverse Change**" means, with respect to a Party, any matter or action that has an effect or change that is, or would reasonably be expected to be, material and adverse to the business, operations, assets, capitalization, financial conditions or prospects of a Party and its subsidiaries, taken as a whole, other than any matter, action, effect or change relating to or resulting from: (i) worldwide, national or local conditions or circumstances whether they are economic, political, regulatory or otherwise, including war, armed hostilities, acts of terrorism, emergencies, crises and natural disasters, (ii) conditions affecting the office workshare industry as a whole in North America, and not specifically relating to the Party and/or its subsidiaries, including changes in laws (including tax laws); (iii) any matter which has been communicated in writing to the other Parties as of

the date hereof, or (iv) any changes or effects arising from matters permitted or contemplated by this Agreement or consented to in writing by the other Parties;

- (m) "**MMJ Shareholders**" means the Persons listed in Schedule "A";
- (n) "**MMJ Shares**" means the common shares in the capital of MMJ;
- (o) "**Parties**" means each of Westcot, MMJ and the MMJ Shareholders and "**Party**" means each one of them, as applicable;
- (p) "**Person**" means a natural person, partnership, limited partnership, limited liability partnership, corporation, limited liability corporation, unlimited liability company, joint stock company, trust, unincorporated association, joint venture or other entity or Governmental Authority;
- (q) "**Purchase Price**" has the meaning ascribed to that term in Section 2.2;
- (r) "**Security Interest**" includes a mortgage, debenture, charge, encumbrance, lien, pledge, assignment or deposit by way of security, bill of sale, lease, hypothecation, hire purchase, credit sale, agreement for sale on deferred terms, caveat, claim, covenant, interest or power in or over an interest in an asset and any agreement or commitment to give or create any such security interest or preferential ranking to a creditor including set off;
- (s) "**Time of Closing**" means 10:00 a.m. (Vancouver time) on the Closing Date, or such other time as Westcot and MMJ may agree;
- (t) "**TSXV**" means the TSX Venture Exchange;
- (u) "**Unit**" means a unit consisting of one Westcot Share and one-half of one Westcot Warrant, with each whole Westcot Warrant exercisable at \$0.50 per Warrant for a period of 24 months from the applicable closing date of the Financing;
- (v) "**Westcot Shares**" means common shares in the capital of Westcot, after the Forward Split;
- (w) "**Westcot Payment Shares**" has the meaning ascribed to that term in Section 2.2(b); and
- (x) "**Westcot Warrant**" means a common share purchase warrant of Westcot issued in connection with the Financing, entitling the holder to purchase one Westcot Share at a price of \$0.50 for a period of 24 months following the date of issuance.

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

Schedule "A" – List of MMJ Shareholders
 Schedule "B" – List of Material Contracts

1.3 **Headings** – The headings in this Agreement are for reference only and do not constitute terms of the Agreement.

1.4 **Interpretation** – Unless the context of this Agreement otherwise requires, to the extent necessary so that each clause will be given the most reasonable interpretation, the singular number will include the plural and vice versa, the verb will be construed as agreeing with the word so substituted, words importing the masculine gender will include the feminine and neuter genders, words importing persons will include firms and corporations and words importing firms and corporations will include individuals.

1.5 **Knowledge** – Whenever in this Agreement a representation and warranty is qualified by the statement "to the best knowledge" of a Party or any similar statement, that statement shall mean to the best knowledge of the Party's directors and officers after having made due and reasonable enquiries and investigations.

2. **PURCHASE AND SALE**

2.1 **Agreement** – Subject to the terms and conditions of this Agreement, on the Closing Date each of the MMJ Shareholders hereby agrees to sell, assign and transfer to Westcot all (and not less than all) of the MMJ Shares, free and clear of all Encumbrances, owned by such MMJ Shareholder as set forth in Schedule "A", and Westcot agrees to purchase all (and not less than all) of the MMJ Shares from each of the MMJ Shareholders for the consideration set forth below.

2.2 **Purchase Price** – The purchase price for the MMJ Shares shall consist, of:

- (a) \$400,000 (the "**Cash Payment**"); and
- (b) the issuance of that number of Westcot Shares to the applicable MMJ Shareholder as set forth beside the name of such MMJ Shareholder in Schedule "A", (the "**Westcot Payment Shares**"), on the basis of the Exchange Ratio, subject to adjustment in the event of any stock splits, consolidations, stock dividends or other events affecting the outstanding Westcot Shares or MMJ Shares completed prior to the Time of Closing

(collectively, the "**Purchase Price**").

2.3 **Payment of Purchase Price** – The Purchase Price shall be payable as follows:

- (a) the Cash Payment, to be delivered to MMJ by Westcot on the Closing Date, payable in certified funds or by Westcot's solicitor's trust cheque payable to the solicitors for the MMJ Shareholders, in trust, to be distributed to each MMJ Shareholder in accordance with their proportionate interest in the MMJ Shares; and
- (b) 100% of the Westcot Payment Shares shall be attributable to, and payable to the MMJ Shareholders, in accordance with each MMJ Shareholder's proportionate interest in the MMJ Shares.

2.4 Westcot will not be obliged to complete the purchase of any MMJ Shares unless the purchase of all MMJ Shares is completed simultaneously at the Closing; and

2.5 If a MMJ Shareholder was entitled to a fractional Westcot Payment Share, the MMJ Shareholder's entitlement has been rounded down to the nearest whole number of Westcot Payment Shares.

2.6 **Acknowledgements** – Each of the MMJ Shareholders hereby acknowledges and agrees with Westcot as follows:

- (a) the transfer of the MMJ Shares and the issuance of Westcot Payment Shares will be made pursuant to applicable exemptions from the formal takeover bid and registration and prospectus (or equivalent) requirements of the Applicable Laws;
- (b) the Westcot Payment Shares will be subject to escrow requirements pursuant to the policies of the TSXV and the MMJ Shareholder agrees to sign any required escrow agreement and agrees to deposit their Westcot Payment Shares into escrow pursuant to such escrow arrangements;
- (c) the MMJ Shareholder is knowledgeable of, or has been independently advised as to, the Applicable Laws of their jurisdiction of residence which apply to the sale of the MMJ Shares and the issuance of Westcot Payment Shares and which may impose restrictions on the resale of such Westcot Payment Shares in that jurisdiction and it is the responsibility of the MMJ Shareholder to find out what those trade restrictions are, and to comply with such restrictions before selling its Westcot Payment Shares; and
- (d) the MMJ Shareholder also acknowledges that the certificates for Westcot Payment Shares may bear a legend or legends respecting restrictions on transfers as required under Applicable Laws and that such MMJ Shareholder has been advised to consult its own legal advisor with respect to applicable resale restrictions and that it is solely responsible for complying with such restrictions.

3. **COVENANTS AND AGREEMENTS**

3.1 **Given by Westcot** – Westcot covenants and agrees with MMJ that Westcot will:

- (a) from and including the date of this Agreement through to and including the Time of Closing, do all such acts and things reasonably necessary to ensure that all of the representations and warranties of Westcot contained in this Agreement remain true and correct in all material respects and not do any such act or thing that would render any representation or warranty of Westcot untrue or incorrect in any material respect;
- (b) use its reasonable commercial efforts to obtain all necessary approvals as may be required for the performance of Westcot of its obligations under this Agreement

prior to the Closing, including obtaining all necessary TSXV approvals to the transactions contemplated by this Agreement;

- (c) jointly elect, pursuant to Subsection 85(1) of the *Income Tax Act* (the "**Act**") and any applicable provincial legislation in the prescribed form and within the time referred to in Subsection 85(6) of the Act and any applicable provincial legislation, to transfer the Shares on a fully tax-deferred basis from the MMJ Shareholders to Westcot at the elected amount (the "**Elected Amount**") determined by each of the MMJ Shareholders, such Elected Amount shall be in compliance with the limits set out in Section 85 of the Act and any applicable provincial legislation. For greater certainty, the parties intend that the purchase and sale of the MMJ Shares contemplated under this Agreement shall not give rise to any immediate income tax liability whatsoever;
- (d) in the event that the Canada Revenue Agency disputes the Elected Amount, agree to amend the election referred to in Section 3.1(e) in accordance with the provisions of the Act and the regulations thereunder and any applicable provincial legislation so that the Elected Amount shall be the amount finally determined as such Elected Amount, whether by a court of competent jurisdiction or the Canada Revenue Agency (in either case, where no further right of appeal is available) or by a settlement approved by the applicable MMJ Shareholder, Westcot and the Canada Revenue Agency. The parties agree that should it be necessary to file an amended election pursuant to Section 85 of the Act for the purpose of transferring the MMJ Shares at a revised Elected Amount, any penalty assessed by the Canada Revenue Agency or a similar provincial authority will be borne by the applicable MMJ Shareholder; and
- (e) comply with the terms of this Agreement and faithfully and expeditiously seek to close the Acquisition by the Closing Date.

3.2 Given by MMJ – MMJ covenants and agrees with Westcot that MMJ will:

- (a) until the Closing Time, upon Westcot providing reasonable notice, permit representatives of Westcot full access during MMJ's business hours to inspect MMJ's property, books and records including, without limitation, all of the assets, contracts, financial records and minute books of MMJ, so as to permit such investigation of MMJ as Westcot deems reasonably necessary;
- (b) from and including the date of this Agreement through to and including the Time of Closing, do all such acts and things reasonably necessary to ensure that all of the representations and warranties of MMJ contained in this Agreement remain true and correct in all material respects and not do any such act or thing that would render any representation or warranty untrue or incorrect in any material respect;
- (c) use its reasonable commercial efforts to obtain all necessary approvals as may be required for the performance of MMJ of its obligations under this Agreement;

- (d) comply with the terms of this Agreement and faithfully and expeditiously seek to close the Acquisition by the Closing Date, or such other date as may be requested by Westcot, acting reasonably;
- (e) from and including the date of this Agreement through to and including the Time of Closing, except as set out in this Agreement, not reach any agreement or understanding with any other party to issue any securities without the prior written consent of Westcot;

3.3 **Given by the MMJ Shareholders** – Each of the MMJ Shareholders covenants and agrees with Westcot that such MMJ Shareholder will:

- (a) from and including the date of this Agreement through to and including the Time of Closing, do all such acts and things reasonably necessary to ensure that all of the representations and warranties of such MMJ Shareholder contained in this Agreement remain true and correct in all material respects and not do any such act or thing that would render any such representation or warranty untrue or incorrect in any material respect;
- (b) not transfer, sell, encumber or otherwise dispose of any of its MMJ Shares or any interest therein without the prior written consent of Westcot;
- (c) jointly elect, pursuant to Subsection 85(1) of the *Income Tax Act* (the “**Act**”) and any applicable provincial legislation in the prescribed form and within the time referred to in Subsection 85(6) of the Act and any applicable provincial legislation, to transfer the MMJ Shares on a fully tax-deferred basis from each of the applicable MMJ Shareholders to Westcot at the elected amount (the “**Elected Amount**”) determined by each of the applicable MMJ Shareholders, such Elected Amount shall be in compliance with the limits set out in Section 85 of the Act and any applicable provincial legislation. For greater certainty, the Parties intend that the purchase and sale of the MMJ Shares contemplated under this Agreement shall not give rise to any immediate income tax liability whatsoever;
- (d) in the event that the Canada Revenue Agency disputes the Elected Amount, agree to amend the election referred to in Section 3.3(c) in accordance with the provisions of the Act and the regulations thereunder and any applicable provincial legislation so that the Elected Amount shall be the amount finally determined as such Elected Amount, whether by a court of competent jurisdiction or the Canada Revenue Agency (in either case, where no further right of appeal is available) or by a settlement approved by the applicable MMJ Shareholder, Westcot and the Canada Revenue Agency. The Parties agree that should it be necessary to file an amended election pursuant to Section 85 of the Act for the purpose of transferring the MMJ Shares at a revised Elected Amount, any penalty assessed by the Canada Revenue Agency or a similar provincial authority will be borne by the applicable MMJ Shareholder; and

- (e) comply with the terms of this Agreement and faithfully and expeditiously seek to close the Acquisition by the Closing Date.

4. **CONDITIONS PRECEDENT**

4.1 **In favour of all parties** – The obligations of the Parties under this Agreement are subject to the fulfillment of the following conditions at or prior to the Closing:

- (a) this Agreement shall not have been terminated in accordance with its terms;
- (b) there shall not be in force any order or decree restraining or enjoining the consummation of the transactions contemplated by this Agreement; and
- (c) the TSXV shall have provided its acceptance of all transactions contemplated by this Agreement and the Financing.

4.2 **In favour of Westcot** – Westcot's obligations under this Agreement are subject to the fulfillment of the following conditions at or prior to the Closing:

- (a) MMJ having not more than 4,101,100 MMJ Shares issued and outstanding on the Closing Date;
- (b) the MMJ Shareholders and the MMJ board of directors will have given all necessary approvals for the entry into of this Agreement and all transactions to be completed by MMJ as contemplated hereunder;
- (c) MMJ and each of the MMJ Shareholders shall have complied in all material respects with all of their respective covenants and agreements contained in this Agreement;
- (d) the representations and warranties contained in this Agreement of MMJ and each of the MMJ Shareholders shall be true in all material respects as if such representations and warranties had been made by MMJ and such MMJ Shareholders as of the Time of Closing (with modifications necessary to reflect the transactions contemplated by this Agreement);
- (e) there shall have been obtained the written consents or approvals, in form and substance satisfactory to Westcot, acting reasonably, of any Governmental Authority or persons whose consent to the transactions contemplated hereby is required, and all conditions imposed upon such consents shall have been satisfied;
- (f) all documents necessary to complete the transfer of all legal and beneficial ownership of all (and not less than all) MMJ Shares shall have been delivered at the Closing; and
- (g) the absence of any Material Adverse Change in the business, financial condition, prospects, assets or operations of MMJ.

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

4.3 **In favour of MMJ** – The obligations of MMJ and the MMJ Shareholders under this Agreement are subject to the fulfilment of the following conditions:

- (a) Westcot shall obtain shareholder approval of the Acquisition, if required by corporate law and the policies of the TSXV;
- (b) Westcot shall have complied in all material respects with all of its covenants and agreements contained in this Agreement;
- (c) the representations and warranties of Westcot contained in this Agreement shall be true in all material respects as if such representations and warranties had been made by Westcot as of the Time of Closing (with modifications necessary to reflect the transactions contemplated by this Agreement); and
- (d) the absence of any Material Adverse Change in the business, financial condition, prospects, assets or operations of Westcot.

The conditions precedent set forth above are for the exclusive benefit of MMJ and the MMJ Shareholders and may be waived by MMJ (on its own behalf and on behalf of the MMJ Shareholders) completely or in part on or before the Time of Closing.

5. REPRESENTATIONS AND WARRANTIES

5.1 **Concerning Westcot** – In order to induce MMJ and the MMJ Shareholders to enter into this Agreement and complete their respective obligations hereunder, Westcot represents and warrants to and covenants with MMJ and the MMJ Shareholders as follows:

- (a) **Incorporation and Qualification** – Westcot is a corporation incorporated and existing under the laws of British Columbia and has the corporate power to own and operate its property, carry on its business and enter into and perform its obligations under this Agreement. This Agreement constitutes a legal, valid and binding agreement of Westcot and is enforceable against Westcot in accordance with its terms and conditions, subject to applicable bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the rights and remedies of creditors and the general principles of equity.
- (b) **Reporting Issuer** – Westcot is a reporting issuer not in default in British Columbia. As of the date of this agreement, the Westcot Shares are listed for trading on the NEX.
- (c) **Corporate Authority** – The execution, delivery and performance by Westcot of this Agreement and the completion of the transactions contemplated hereunder, have been duly authorized by all necessary corporate action on the part of Westcot.

- (d) **No Conflict** – The execution and delivery of this Agreement by Westcot and the performance by Westcot of its obligations under this Agreement will not:
- (i) conflict with, or result in the breach or the acceleration of any indebtedness under, or constitute default under the constating documents of Westcot, or any indenture, mortgage, agreement, lease, licence or other instrument of any kind whatsoever to which Westcot is a party or by which it is bound, or any judgment or order of any kind whatsoever of any court or administrative body of any kind whatsoever by which Westcot is bound; or
 - (ii) result in the violation of any law, ordinance, statute, regulation, by-law, order or decree of any kind whatsoever by Westcot.
- (e) **Corporate Records** – The corporate records, including all constating documents, minutes of meetings and resolutions of shareholders, directors and any committees, the share certificates, securities registers and register of directors of Westcot are complete and accurate and all corporate proceedings and actions reflected in such corporate records have been conducted or taken in compliance with all Applicable Laws and with the constating documents of Westcot. Westcot’s constating documents are in the form contained in its minute book and no modifications or alterations have been proposed or approved by its shareholders.
- (f) **Authorized and Issued Capital** – Westcot is authorized to issue an unlimited number of common shares, of which 18,546,052 common shares are validly issued and outstanding as fully paid and non-assessable shares as of the date of this Agreement.
- (g) **No Other Agreements to Purchase** – Other than as disclosed in the Company’s public disclosure record, there are no options, agreements, rights of first refusal or other rights capable of becoming such to acquire Westcot Common Shares, nor are there any outstanding securities of any kind whatsoever calling for the issuance of any of the unissued shares of Westcot.
- (h) **Compliance with Laws** – Westcot is conducting its business in compliance in all material respects with all Applicable Laws of British Columbia.
- (i) **Complete Disclosure**
- (i) To the best of its knowledge, information and belief, all documents and written information delivered by Westcot or its representatives under or in connection with this Agreement to MMJ or its representatives are complete and correct in all material respects as of the date of this Agreement.
 - (ii) To the best of its knowledge, information and belief, Westcot has not withheld from MMJ any material information necessary to enable MMJ and the MMJ Shareholders to make an informed assessment and valuation of the business, assets and liabilities of Westcot.

5.2 **Concerning MMJ** – In order to induce Westcot to enter into this Agreement and complete its obligations hereunder, MMJ and each of the MMJ Shareholders jointly and severally represent and warrant to and covenants with Westcot as follows:

- (a) **Incorporation and Qualification** – MMJ is a corporation incorporated and existing under the laws of British Columbia and has the corporate power to own and operate its property, carry on its business and enter into and perform its obligations under this Agreement. This Agreement constitutes a legal, valid and binding agreement of MMJ and is enforceable against MMJ in accordance with its terms and conditions, subject to applicable bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the rights and remedies of creditors and the general principles of equity.
- (b) **Not Reporting Issuer** – MMJ is not a reporting issuer company in any jurisdiction and its shares or other securities are not listed or quoted on any stock exchange or trading facility. MMJ is not subject to any regulatory decision or order prohibiting or restricting trading in its securities.
- (c) **No Conflict** – The execution and delivery of this Agreement by MMJ and the performance by MMJ and the MMJ Shareholders of their obligations under this Agreement will not:
 - (i) conflict with, or result in the breach or the acceleration of, any indebtedness under, or constitute default under the constating documents of MMJ, or any indenture, mortgage, agreement, lease, licence or other instrument of any kind whatsoever to which MMJ is a party, or any judgment or order of any kind whatsoever of any court or administrative body of any kind whatsoever by which MMJ is bound; or
 - (ii) result in the violation of any law, ordinance, statute, regulation, by-law, order or decree of any kind.
- (d) **Required Approvals** – There is no requirement to obtain any third party consent or approval as a condition to the lawful completion by MMJ of the transactions contemplated by this Agreement.
- (e) **Corporate Authority** – The execution, delivery and performance by MMJ of this Agreement and the completion of the transactions contemplated hereunder, have been duly authorized by all necessary corporate action on the part of MMJ.
- (f) **Corporate Records** – The corporate records, including all constating documents, minutes of meetings and resolutions of shareholders, directors and any committees, the share certificates, register of securityholders and register of directors of MMJ are complete and accurate and all corporate proceedings and actions reflected in such corporate records have been conducted or taken in compliance with all Applicable Laws and with the constating documents of MMJ. The constating documents of MMJ are in the form contained in its respective minute books and no

modifications or alterations have been proposed or approved by its shareholders. MMJ has never been subject to, or affected by, any unanimous shareholders agreement or other shareholder agreement between MMJ and its shareholders.

- (g) **Authorized and Issued Capital** – The authorized capital of MMJ consists of an unlimited number of common shares, of which 601,001 common shares are validly issued and outstanding as fully paid and non-assessable shares. A true and complete list of the MMJ Shareholders, their names, addresses and holdings of MMJ Shares is set out in Schedule "A".
- (h) **Outstanding Securities** – Other than the MMJ Shares, there are no other shares, options, warrants, convertible notes or debentures, agreements, documents, instruments or other writings of any kind whatsoever which constitute a "security" of MMJ (as that term is defined in the *Securities Act*) (British Columbia).
- (i) **No Other Agreements to Purchase** – There are no options, agreements, rights of first refusal or other rights capable of becoming such to acquire all or any part of the MMJ Shares.
- (j) **Dividends and Distributions** – No dividends or other distributions of any kind whatsoever on any shares in the capital of MMJ have ever been made, declared or authorized.
- (k) **Compliance with Laws** – To the best of its knowledge, MMJ has conducted and is conducting its business in compliance with all Applicable Laws in the jurisdictions in which such business is carried on.
- (l) **Title to Assets** – MMJ owns (with good title) all of the assets (whether real, personal or mixed and whether tangible or intangible) that it purports to own including any and all leasehold interests used in conducting MMJ's business free and clear of all Encumbrances.
- (m) **Financial Condition**
 - (i) The books and records of MMJ disclose all material financial transactions of MMJ, and such transactions have been fairly and accurately recorded.
 - (ii) MMJ is not indebted to nor has any liability (contingent or otherwise) to, any of the MMJ Shareholders, or directors, officers or insiders of MMJ. None of the MMJ Shareholders, nor any director, officer or insider of MMJ is indebted or under obligation to MMJ on any account whatsoever.
 - (iii) MMJ has not guaranteed or agreed to guarantee any debt, liability or other obligation of any kind whatsoever of any Person.
- (n) **Financial Statements** – the audited financial statements of MMJ for the period ended June 30, 2018, including the notes thereto have been prepared in accordance

with IFRS consistently applied, present fairly the financial position and results of MMJ as at the relevant dates and the results of operations and cash flows for the periods covered thereby. The books and records of MMJ disclose all material financial transactions of it, and such transactions have been fairly and accurately recorded.

- (o) **Material Adverse Changes** – There has been no Material Adverse Change in the business prospects, operations, results of operations, assets, capitalization or condition, financial or otherwise, of MMJ from that shown in its most recent financial statements, as provided to Westcot and MMJ has not experienced, nor is it aware of any occurrence or event which has, or might reasonably be expected to have, a Material Adverse Effect on the MMJ’s business, prospects, operations, results of operations, assets, capitalization or condition (financial or otherwise) which could constitute a Material Adverse Change.
- (p) **Taxes**
 - (i) All tax returns and reports of MMJ required by law to have been filed, if any, have been filed and are substantially true, complete and correct and all taxes and other government charges of any kind whatsoever due or payable by MMJ have been paid.
 - (ii) MMJ is not aware of any contingent tax liabilities of MMJ of any kind whatsoever or any grounds which would prompt a reassessment of MMJ.
- (q) **Litigation** – There are no outstanding actions, suits, judgments, investigations or proceedings of any kind whatsoever against or affecting MMJ at law or in equity or before or by any Governmental Authority or other governmental department, commission, board, bureau or agency of any kind whatsoever nor are there, to the best knowledge of MMJ, any pending or threatened.
- (r) **No Breach of Laws** – To the best knowledge of MMJ, MMJ is not in breach of any law, ordinance, statute, regulation, by-law, order or decree of any kind whatsoever.
- (s) **Insurance** –MMJ does not carry any insurance policies.
- (t) **Material Contracts** – Other than as set forth in Schedule B attached hereto, there are no material contracts of MMJ or by which MMJ is bound or party to.
- (u) **No Subsidiaries** – MMJ has no subsidiaries and does not own any securities issued by, or any equity or ownership interest in, any other corporate entity.
- (v) **Material Transactions** – All of the material transactions of MMJ have been promptly and properly recorded or filed in, or with, the books or records of MMJ, as applicable, and the minute books of MMJ contain all records of the meetings and proceedings of shareholders and directors of MMJ since its incorporation.

(w) Complete Disclosure

- (i) To the best of MMJ's knowledge, information and belief, all documents and written information delivered by MMJ or its representatives under or in connection with this Agreement to Westcot or its representatives are complete and correct in all material respects as of the date of this Agreement.
- (ii) To the best of MMJ's knowledge, information and belief, MMJ has not withheld from Westcot any material information necessary to enable Westcot to make an informed assessment and valuation of the business, assets and liabilities of MMJ.

5.3 Concerning the MMJ Shareholders – In order to induce Westcot to enter into this Agreement and complete its obligations hereunder, each of the MMJ Shareholders severally represents and warrants to Westcot that:

- (a) **Qualification** – He is of legal age and is legally competent to enter into and perform his obligations under this Agreement.
- (b) **Binding Agreement** – This Agreement constitutes a legal, valid and binding agreement of the MMJ Shareholder and is enforceable against such MMJ Shareholder in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the rights and remedies of creditors and the general principles of equity.
- (c) **Title to MMJ Shares**
 - (i) Such MMJ Shareholder is the legal and, unless otherwise indicated in Schedule "A", beneficial owner of the MMJ Shares, registered in its name as set out in Schedule "A", with good title, free and clear of all Encumbrances, Security Interests and resale restrictions.
 - (ii) On Closing, Westcot will have good and valid title to such MMJ Shares free and clear of Encumbrances, Security Interests and resale restrictions.
- (d) **No Other Agreements to Purchase** – Except for Westcot's rights under this Agreement, there is no option, agreement or other right capable of becoming such to acquire from such MMJ Shareholder any of the MMJ Shares.
- (e) **Resale Restrictions** – Such MMJ Shareholder acknowledges and agrees to be bound by any restrictions on the resale of the Westcot Payment Shares issued to it at the Closing that may be imposed by Applicable Laws or this Agreement and agrees that the certificates representing such Westcot Payment Shares may contain a legend or legends to that effect or referring to such resale restrictions

- (f) **Independent Legal and Financial Advice** – Such MMJ Shareholder has been advised prior to entering into this Agreement to obtain, and has obtained, such independent legal, financial (including tax) and other advice as it deems to be necessary or advisable in connection herewith, and waives any claim which it may now or in the future have with respect to this Agreement or the subject matter hereof based in any way on the absence of, lack of access to or shortness of time available to rely on such advice.
- (g) **Tax Matters** – Such MMJ Shareholder is not a non-resident of Canada within the meaning of the *Income Tax Act* (Canada).

5.4 **Survival**

- (a) The representations and warranties made by the Parties under this Part 5 are true and correct as of the date of this Agreement and shall be true and correct at the Time of Closing as though they were made at that time.
- (b) Should any of the representations and warranties made by any MMJ Shareholder in Section 5.3 not be true and correct as of the date of this Agreement or at the Time of Closing as though they were made at that time, Westcot shall be entitled, for a period of three years following the Closing, to seek remedy against such MMJ Shareholder for any such misrepresentation or breach of warranty. Notwithstanding the foregoing, should any of the representations and warranties made by any MMJ Shareholder in Section 5.3(c) or (d) not be true and correct as of the date of this Agreement or at the Time of Closing as though they were made at that time, subject to any limitation periods applicable under Applicable Laws, Westcot will be entitled, for an indefinite period following the Closing, to seek remedy against such MMJ Shareholder for any such misrepresentation or breach of warranty.
- (c) Should any of the representations and warranties made by Westcot in Section 5.1(a), Section 5.1(f) or Section 5.1(g) not be true and correct as of the date of this Agreement or at the Time of Closing as though they were made at that time, each MMJ Shareholder shall be entitled, for a period of three years following the Closing, to seek remedy against Westcot for any such misrepresentation or breach of warranty.
- (d) Except as otherwise provided in Section 5.4 (b), after the expiration of such three-year period, no Party or Parties shall have any further liability with respect to any breach of any representation or warranty contained herein, except for those alleged breaches for which notice has been given prior to the end of such three-year period.

5.5 **No Limit on Rights** – The Parties each acknowledge and agree that a Party's investigations shall in no way limit or otherwise adversely affect that Party's rights under the representations and warranties given to it by any other Party or Parties under this Agreement.

5.6 **Limitations on Representations and Warranties** – The Parties shall not be deemed to have made any representation or warranty other than as expressly made in this Agreement, including without limitation Sections 5.1 to 5.5 hereof.

6. CLOSING

6.1 **Closing** – The Closing shall take place at the Time of Closing at the office of DuMoulin Black LLP in Vancouver, British Columbia, Canada, or at such other place upon which Westcot and MMJ may agree.

6.2 **Deliveries by MMJ and the MMJ Shareholders** – At the Closing, MMJ shall deliver to Westcot the following documents:

- (a) a certified true copy of the resolutions of the directors and, if necessary, the shareholders of MMJ, evidencing that the board of directors and, if applicable, shareholders of MMJ, have approved this Agreement, the Acquisition and all of the transactions of MMJ and the MMJ Shareholders contemplated hereunder and the resolutions shall include specific reference to:
 - (i) the sale and transfer of the MMJ Shares from the MMJ Shareholders to Westcot as provided for in this Agreement;
 - (ii) the cancellation of the certificates (the "**Old Share Certificates**") representing the MMJ Shares held by the MMJ Shareholders; and
 - (iii) the issuance of one or more new certificate(s) (the "**New Share Certificate(s)**") representing the MMJ Shares registered in the name of the Westcot or otherwise as directed by Westcot;
- (b) the Old Share Certificates, and if required, with the form of transfer on the reverse duly executed for transfer or accompanied by a duly executed stock power of attorney;
- (c) the New Share Certificate(s);
- (d) a certificate signed by authorized representatives of MMJ that the representations and warranties of MMJ contained in this Agreement are true and correct in every respect as of the Time of Closing on the Closing Date; and
- (e) such other materials or documents that are, in the opinion of Westcot acting reasonably, required to be delivered by MMJ and the MMJ Shareholders in order to meet their obligations under this Agreement.

6.3 **Deliveries by Westcot** – At the Time of Closing on the Closing Date, Westcot shall deliver to MMJ, on its own behalf and on behalf of the MMJ Shareholders, as applicable:

- (a) certified true copies of the resolutions of the directors of Westcot evidencing the approval of this Agreement and all of the transactions of Westcot contemplated hereunder;
- (b) the Cash Payment;
- (c) certificates representing the Westcot Payment Shares issuable to the MMJ Shareholders hereunder registered in the respective names of the MMJ Shareholders;
- (d) a certificate signed by an officer of Westcot that the representations and warranties of Westcot contained in this Agreement are true and correct in every respect as of the Time of Closing; and
- (e) such other materials or documents that are, in the opinion of MMJ acting reasonably, required to be delivered by Westcot in order to meet its obligations under this Agreement.

7. **ORDINARY COURSE**

Until the Time of Closing, neither MMJ nor Westcot shall, without the prior written consent of the other, enter into any contract in respect of its business or assets, other than in the ordinary course of business, and each Party shall continue to carry on its business and maintain its assets in the ordinary course of business, shall maintain payables and other liabilities at levels consistent with past practice, shall not engage in any extraordinary material transactions and shall make no distributions, dividends or special bonuses, shall not repay any shareholders' loans, or enter into or renegotiate any employment or consulting agreement with any officer, in each case without the prior written consent of the other which shall not be unreasonably withheld, and shall otherwise comply with its respective covenants as set forth in Section 3 hereof.

8. **TERMINATION**

8.1 **By the parties** – Each of MMJ (on its own behalf and on behalf of the MMJ Shareholders) and Westcot shall, in its sole discretion, have the right to terminate this Agreement upon written notice to the other if Westcot, on the one hand, or MMJ or any of the MMJ Shareholders, on the other hand has breached or is in default of any material term of this Agreement and fails to cure or remedy such breach or default within 14 days after receiving written notice thereof from the Party not in breach or default.

8.2 **Survival** – In the event this Agreement is terminated, the provisions of Section 10 shall survive the termination.

9. **STANDSTILL AGREEMENT**

From the date of this Agreement until completion of the transactions contemplated herein or the earlier termination hereof, MMJ, the MMJ Shareholders and Westcot will not, directly or indirectly, solicit, initiate, assist, facilitate, promote or encourage proposals or offers from, entertain or enter

into discussions or negotiations with, or provide information relating to the securities, business, operations, affairs or financial condition of MMJ or Westcot to any persons in connection with the acquisition or distribution of any securities of MMJ or Westcot, or any amalgamation, merger, consolidation, arrangement, restructuring, refinancing, sale of any material assets of MMJ or Westcot, unless such action, matter or transaction is part of the transactions contemplated in this Agreement or is satisfactory to, and is approved in writing in advance by MMJ and Westcot or is necessary to carry on the normal course of business.

10. PUBLIC DISCLOSURE

10.1 **Restrictions on disclosure** – No disclosure or announcement, public or otherwise, in respect of this Agreement or the transactions contemplated herein will be made by any Party without the prior written agreement of Westcot and MMJ as to timing, content and method, provided that the obligations herein will not prevent any Party from making, after consultation with Westcot and MMJ, such disclosure as its counsel advises is required by Applicable Laws or as is required to carry out the transactions contemplated in this Agreement or the obligations of any of the Parties hereto.

10.2 **Confidentiality** – Except with the prior written consent of Westcot and MMJ, each of the Parties and its respective employees, officers, directors, shareholders, agents, advisors and other representatives will hold all information received from a Party concerning any of Westcot, MMJ or any of the MMJ Shareholders in confidence and shall not be disclosed or used by the recipients thereof, except such information and documents available to the public or as are required to be disclosed by Applicable Laws. All such information in written or electronic form and documents will, at a Party's request, be promptly returned to the party originally delivering them in the event that the transactions provided for in this Agreement are not completed.

10.3 **Personal Information** – Each of the MMJ Shareholders hereby consents to the disclosure of his or her personal information in connection with the transactions contemplated by this Agreement and acknowledges and consents to the fact that MMJ and Westcot are collecting the personal information (as that term is defined under applicable privacy legislation, including the *Personal Information Protection and Electronic Documents Act* (Canada) and any other applicable similar, replacement or supplemental provincial or federal legislation or laws in effect in Canada from time to time) of the MMJ Shareholder for the purposes of completing this Agreement and the transactions contemplated hereby. Each MMJ Shareholder acknowledges and consents to MMJ and Westcot retaining such personal information for as long as permitted or required by law or business practices. Each MMJ Shareholder further acknowledges and consents to the fact that MMJ and Westcot may be required by applicable securities legislation to provide regulatory authorities with any personal information provided by the MMJ Shareholders in this Agreement and each MMJ Shareholder further consents to the public disclosure of such information, including this Agreement in its entirety, by electronic filing or by any other means.

11. GENERAL

11.1 **Time** – Time and each of the terms and conditions of this Agreement shall be of the essence of this Agreement and any waiver by the Parties of this Section or any failure by them to exercise any of their rights under this Agreement shall be limited to the particular instance and shall not

extend to any other instance or matter in this Agreement or otherwise affect any of their rights or remedies under this Agreement.

11.2 Entire agreement – This Agreement constitutes the entire Agreement between the Parties hereto in respect of the matters referred to herein and there are no representations, warranties, covenants or agreements, expressed or implied, collateral hereto other than as expressly set forth or referred to herein.

11.3 Further assurances – The Parties hereto shall execute and deliver all such further documents and instruments and do all such acts and things as any Party may, either before or after the Closing, reasonably require of the others in order that the full intent and meaning of this Agreement is carried out. The provisions contained in this Agreement which, by their terms, require performance by a Party to this Agreement subsequent to the Closing, shall survive the Closing.

11.4 Amendments – No alteration, amendment, modification or interpretation of this Agreement or any provision of this Agreement shall be valid or binding upon the Parties hereto unless such alteration, amendment, modification or interpretation is in written form executed by all of the Parties to this Agreement.

11.5 Notices – Any notice, request, demand, election and other communication of any kind whatsoever to be given under this Agreement shall be in writing and shall be delivered by hand, e-mail or mailed by prepaid registered post to the Parties at their following respective addresses:

(a) to MMJ or the MMJ Shareholders:

MMJ Technologies Inc.
 #307 - 1477 West Pender Street,
 Vancouver, British Columbia, V6G 2S3, Canada
Attention: Randy White
E-mail: contact@escher.hk

(b) to Westcot Ventures Corp.:

Westcot Ventures Corp.
 Suite 1080, West Pender Street
 Vancouver, British Columbia V6C 1H2
Attention: Von Torres
E-mail: von@essocorporate.com

or to such other addresses as may be given in writing by the Parties hereto in the manner provided for in this Section. Any notice delivered or faxed shall be deemed to have been given and received on the Business Day next following the date of delivery or faxing, as the case may be.

11.6 Assignment – This Agreement may not be assigned by any Party hereto without the prior written consent of all of the Parties hereto.

11.7 **Governing law** – This Agreement shall be subject to, governed by, and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein, and the Parties hereby attorn to the non-exclusive jurisdiction of the courts of British Columbia.

11.8 **Counterparts** – This Agreement may be executed in counterpart and by fax or other electronic means, and each copy so signed shall be deemed to be an original, and all such counterparts together shall constitute one and the same instrument.

11.9 **Severability** – If any one or more of the provisions contained in this Agreement should be invalid, illegal or unenforceable in any respect in any jurisdiction, the validity, legality and enforceability of such provision or provisions will not in any way be affected or impaired thereby in any other jurisdiction and the validity, legality and enforceability of the remaining provisions contained herein will not in any way be affected or impaired thereby, unless in either case as a result of such determination this Agreement would fail in its essential purpose.

11.10 **Enurement** – This Agreement shall enure to the benefit of and be binding upon the Parties hereto and their respective successors, permitted assigns, trustees, representatives, heirs and executors.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF the parties hereto have duly executed this Agreement as of the date and year first above written.

WESTCOT VENTURES CORP.

"Von Torres"
Name: Von Torres
Title: Director

MMJ TECHNOLOGIES INC.

"Randy White"
Name: Randy White
Title: Director

ESCHER INVEST SA

"Randy White"
Name: Randy White
Title: Director

SCHEDULE "A"

**TO THE SHARE EXCHANGE AGREEMENT
DATED AUGUST 28, 2018**

LIST OF HOLDERS OF MMJ SHARES

Name of MMJ Shareholder	No. of MMJ Shares owned	No. of Westcot Common Shares to be issued ¹
Escher Invest SA	4,101,001	2,000,000
Total	4,101,001	2,000,000

⁽¹⁾ Westcot Shares issued on a Forward Split basis.

SCHEDULE "B"

**TO THE SHARE EXCHANGE AGREEMENT
DATED AUGUST 28, 2018**

LIST OF MATERIAL CONTRACTS

- Asset Purchase Agreement dated June 2, 2018