

**ASSET PURCHASE AGREEMENT**

**BETWEEN**

**VEG ESSENTIALS LLC**

– and –

**VEJI HOLDINGS LTD.**

– and –

**PLANTX LIFESTYLE USA INC.**

– and –

**PLANTX LIFE INC.**

**SEPTEMBER 18, 2022**

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## ASSET PURCHASE AGREEMENT

THIS AGREEMENT is dated September 18, 2022

### BETWEEN:

**VEG ESSENTIALS LLC**, a limited liability company  
existing under the laws of the State of Wisconsin

("Veg")

- and -

**VEJI HOLDINGS LTD.**, a company incorporated under  
the laws of the Province of British Columbia

("Veji")

- and -

**PLANTX LIFESTYLE USA INC.**, a company incorporated  
under the laws of the State of Delaware

(the "Buyer")

- and -

**PLANTX LIFE INC.**, a company incorporated under the  
laws of the Province of British Columbia

("PlantX")

### CONTEXT:

- A. The Sellers own and operate a U.S.-based online Domain that offers plant-based and sustainable living products directly to consumers in the United States of America from an array of brands.
- B. Veg is a wholly-owned subsidiary of Veji.
- C. The Sellers wish to sell, and the Buyer wishes to purchase, the Sellers' U.S.-based online Domain and its associated properties, rights and assets in accordance with the terms and conditions hereto, as more particularly described herein.
- D. The Buyer is a wholly-owned subsidiary of PlantX.

**THEREFORE**, the Parties agree as follows:

## **ARTICLE 1 INTERPRETATION**

### **1.1 Definitions**

In this Agreement, the following terms have the following meanings:

- 1.1.1 **“Agreement”** means this agreement, including all Schedules and Exhibits, as it may be confirmed, amended, supplemented or restated by written agreement between the Parties.
- 1.1.2 **“Assumed Liabilities”** is defined in Section 2.2.
- 1.1.3 **“Business Day”** means any day excluding a Saturday, Sunday or statutory holiday in the Province of Ontario.
- 1.1.4 **“Buyer”** is defined in the recital of the Parties above.
- 1.1.5 **“Buyer Indemnified Parties”** means each of the Buyer and PlantX and each of their directors, officers and employees, and the respective Successors of each of them and **“Buyer Indemnified Party”** means any one of them.
- 1.1.6 **“CIPO”** is defined in Section 6.9.1.
- 1.1.7 **“Claim”** means any claim, demand, action, cause of action, suit, arbitration, investigation, proceeding, complaint, grievance, charge, prosecution, assessment or reassessment, including any appeal or application for review.
- 1.1.8 **“Closing”** means the completion of the sale by the Sellers to, and purchase by the Buyer of, the Purchased Assets under this Agreement.
- 1.1.9 **“Closing Cash Amount”** is defined in Section 3.1.
- 1.1.10 **“Closing Date”** means September 29, 2022 or any other date that the Parties may agree is the date upon which the Closing will take place.
- 1.1.11 **“Closing Time”** means 8:00 a.m. (Eastern Standard Time) on the Closing Date or any other time on the Closing Date as may be agreed by the Parties.
- 1.1.12 **“Common Shares”** means common shares in the authorized share structure of PlantX.
- 1.1.13 **“Communication”** means any notice, demand, request, consent, approval or other communication that is required or permitted by this Agreement to be given or made by a Party.
- 1.1.14 **“Confidential Information”** means any information relating to the Sellers or its respective business, including Personal Information, whether communicated in written form, orally, visually, demonstratively, technically or by any other electronic form or other media, or committed to memory, but excluding information, other than Personal Information which:

- 1.1.14.1 was available to or known by the public prior to the Letter of Intent between PlantX and Veji, dated August 26, 2022;
  - 1.1.14.2 was or is obtained from a source other than Veji or Veg or any person bound by a duty of confidentiality to Veg, Veji, Veg or Veji's shareholders; or
  - 1.1.14.3 is, or becomes, available to or known by the public other than because of improper disclosure by the Buyer or any of its representatives, advisors or lenders.
- 1.1.15 "**Consideration Shares**" means 1,071,428 post-Consolidation Common Shares with a deemed post-Consolidation issue price of \$0.70 per share.
- 1.1.16 "**Consolidation**" means the consolidation of the issued and outstanding Common Shares on the basis of 20 pre-consolidation Common Shares for each one post-consolidation Common Share.
- 1.1.17 "**Contract**" means any agreement, understanding, undertaking, commitment, licence or lease, whether written or oral.
- 1.1.18 "**CSE**" means the Canadian Securities Exchange.
- 1.1.19 "**Designs**" is defined in Section 1.1.36.3.
- 1.1.20 "**Disclosure Schedule**" means the disclosure attached as Schedule A.
- 1.1.21 "**Domain**" is defined in Section 2.1.1.
- 1.1.22 "**Domain Names**" is defined in Section 1.1.36.6
- 1.1.23 "**Encumbrance**" means any security interest, mortgage, charge, pledge, hypothec, lien, restriction, option, adverse claim or other encumbrance of any kind.
- 1.1.24 "**ETA**" means Part IX of the *Excise Tax Act* (Canada).
- 1.1.25 "**Excluded Liabilities**" is defined in Section 2.3.
- 1.1.26 "**Financial Statements**" means:
- 1.1.26.1 the audited consolidated financial statements of Veji as at and for the year ended December 31, 2021; and
  - 1.1.26.2 the unaudited consolidated financial statements of Veji as at and for the six-month period ended June 30, 2022,
- together with their associated notes.
- 1.1.27 "**Finder**" means Sandytoes Advisory Group.
- 1.1.28 "**Finder's Fee**" means 102,857 post-Consolidation Common with a deemed post-Consolidation issue price of \$0.70 per share to be paid to the Finder at Closing.

- 1.1.29 **“Fundamental Representations and Warranties”** means the representations and warranties in Sections 4.1, 4.2, 4.4, 4.7, 4.8 and 4.23.
- 1.1.30 **“IFRS”** means International Financial Reporting Standards in Canada applicable on the date of this Agreement.
- 1.1.31 **“Governmental Authority”** means:
- 1.1.31.1 any federal, provincial, state, local, municipal, regional, territorial, aboriginal, or other government, governmental or public department, branch, ministry, or court, domestic or foreign, including any district, agency, commission, board, arbitration panel or authority and any subdivision of any of them exercising or entitled to exercise any administrative, executive, judicial, ministerial, prerogative, legislative, regulatory, or taxing authority or power of any nature; and
  - 1.1.31.2 any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of them, and any subdivision of any of them.
- 1.1.32 **“GST”** means the goods and services tax and the harmonized sales tax imposed under the ETA.
- 1.1.33 **“Indemnifying Party”** means the Party providing indemnification under any provision of Article 10.
- 1.1.34 **“Indemnity Claim”** is defined in Section 10.5.
- 1.1.35 **“Indemnity Notice”** is defined in Section 10.5.
- 1.1.36 **“Intellectual Property”** means any and all of the following in any jurisdiction throughout the world:
- 1.1.36.1 trademarks, design marks, logos, service marks, certification marks, trade dress, trade indicia, distinguishing guises, slogans, meta-tags, keywords, ad words and other characters, brand elements, other distinguishing features used in association with goods and services and any additional branding usage, whether or not registered or the subject of an application for registration and whether or not registrable, together with the goodwill connected with the use of the foregoing (**“Trademarks”**);
  - 1.1.36.2 software in source code or object code form, documentation, literary works, artistic works, pictorial works, graphic works, musical works, dramatic works, audio-visual works, performances, sound recordings and signals, including their content, and any compilations of any of them, whether or not registered or the subject of an application for registration, or capable of being registered (**“Works”**);
  - 1.1.36.3 industrial designs and all variants of industrial designs, whether or not registered or the subject of an application for registration and whether or not registrable (**“Designs”**);
  - 1.1.36.4 vendor lists, supplier lists, customer lists, mailing lists, all analytical information including ad word, metatag, keyword and historical marketing data, technical



expertise, research data, website files, trade secrets and all other confidential information and know-how;

- 1.1.36.5 inventions, arts, processes, machines, articles of manufacture, compositions of matter, business methods, formula, developments and improvements, whether or not patented or the subject of an application for patent and whether or not patentable methods and processes for making any of them, and related documentation (whether in written or electronic form) and know-how (“**Inventions**”); and
- 1.1.36.6 domain names, whether registered primary domain names or secondary or other higher level domain names (“**Domain Names**”) and social media account or usernames (including “handles”), whether or not trademarks, all associated web addresses, URLs, websites and web pages, social media sites and pages, and all content and data thereon or relating thereto, whether or not copyrights, and all goodwill connected with the use of the foregoing.
- 1.1.36.7 internet domain name registrations; and
- 1.1.36.8 any other intellectual property and related proprietary rights, interests and protections.

1.1.37 “**Intellectual Property Rights**” means:

- 1.1.37.1 any common law principle or statutory provision which may provide a right in Intellectual Property, including all:
  - 1.1.37.1.1 common law rights, registrations, pending applications for registration and rights to file applications for the Trademarks, including rights of priority;
  - 1.1.37.1.2 patents, pending patent applications and rights to file applications for Inventions, including all rights of priority and rights in continuations, continuations-in-part, divisions, reissues, renewals, re-examinations, exclusions, and other derivative applications and patents;
  - 1.1.37.1.3 copyrights in Works, registrations, pending applications for registration and rights to file applications for Works and all moral rights and benefits of waivers of moral rights in Works;
  - 1.1.37.1.4 registrations, pending applications for registration and rights to file applications for registration of Domain Names and all other common law and statutory rights in Domain Names; and
  - 1.1.37.1.5 industrial design rights, design patents, design registrations, pending patent and design applications and rights to file applications for Designs, including all rights of priority and rights in continuations, continuations-in-part, divisions, re-examinations, reissues and other derivative applications.
- 1.1.37.2 all rights in licenses, sub-licenses, franchise agreements, waivers and other contractual rights in any of the items listed in Section 1.1.37.1; and

- 1.1.37.3 all rights to enforce the rights and obtain remedies for a violation of any of the rights listed in Section 1.1.37.1 and 1.1.37.2.
- 1.1.38 “**ITA**” means the *Income Tax Act* (Canada).
- 1.1.39 “**Inventions**” is defined in Section 1.1.37.1.5.
- 1.1.40 “**Law**” or “**Laws**” means all laws, statutes, codes, ordinances, decrees, rules, regulations, by-laws, statutory rules, principles of law, published policies and guidelines, judicial or arbitral or administrative or ministerial or departmental or regulatory judgments, orders, decisions, rulings or awards, including general principles of common and civil law, and the terms and conditions of any grant of approval, permission, authority or licence of any Governmental Authority.
- 1.1.41 “**Loss**” means any loss, liability, damage, cost, expense, charge, fine, penalty or assessment, including:
- 1.1.41.1 the reasonable costs and expenses of any action, suit, proceeding, demand, assessment, judgment, settlement or compromise;
- 1.1.41.2 all interest, fines and penalties; and
- 1.1.41.3 all professional fees and disbursements on a 100%, complete indemnity basis, but excluding loss of profits (as direct damages) and punitive, exemplary, indirect, special and consequential damages.
- 1.1.42 “**Material Adverse Effect**” means any effect, event, change, occurrence or state of facts that, individually or in the aggregate with other effects, events, changes, occurrences or states of facts, is, or would reasonably be expected to be, material and adverse to:
- 1.1.42.1 the business, condition (financial or otherwise) of, and operations or results of operations from the ownership and use of, the Purchased Assets by the Sellers; or
- 1.1.42.2 the ability of the Buyer to use and generate sales from the Purchased Assets immediately after the Closing.
- 1.1.43 “**Outside Date**” means October 15, 2022.
- 1.1.44 “**Parties**” means the Veg, Veji, the Buyer and PlantX, collectively, and “**Party**” means either of them.
- 1.1.45 “**Person**” will be broadly interpreted and includes:
- 1.1.45.1 a natural person, whether acting in their own capacity, or in their capacity as executor, administrator, estate trustee, trustee or personal or legal representative, and the heirs, executors, administrators, estate trustees, trustees or other personal or legal representatives of a natural person;
- 1.1.45.2 a corporation or a company of any kind, a partnership of any kind, a sole proprietorship, a trust, a joint venture, an association, an unincorporated

association, an unincorporated syndicate, an unincorporated organization or any other association, organization or entity of any kind; and

1.1.45.3 a Governmental Authority.

- 1.1.46 **“Personal Information”** means information about an individual who can be identified by the Person who holds that information.
- 1.1.47 **“PlantX”** is defined in the recital of the Parties above.
- 1.1.48 **“Purchase Price”** is defined in Section 3.1.
- 1.1.49 **“Purchased Assets”** means the Domain, the Veji Customer Data and the Purchased Intellectual Property.
- 1.1.50 **“Purchased Intellectual Property”** is defined in Section 2.1.3
- 1.1.51 **“Sellers”** means collectively, Veg and Veji, and **“Seller”** means either one of them.
- 1.1.52 **“Successors”** means, as applicable, the heirs, executors, administrators, estate trustees, trustees, personal or legal representatives, successors and permitted assigns of a Person.
- 1.1.53 **“Tax”** means all taxes, duties, fees, premiums, assessments, imposts, levies, rates, withholdings, dues, government contributions and other charges of any kind imposed by any Governmental Authority, whether direct or indirect, together with all interest, penalties, fines, additions to tax or other additional amounts imposed in respect thereof.
- 1.1.54 **“Tax Law”** means any Law that imposes Taxes or that deals with the administration or enforcement of liabilities for Taxes.
- 1.1.55 **“Third Party Consent”** means a consent or approval of, or waiver by, a Person who is not a Party.
- 1.1.56 **“Trademarks”** is defined in Section 1.1.36.1
- 1.1.57 **“Transfer Taxes”** means all Taxes levied on or measured by, or referred to as, GST, Quebec Sales Tax, value-added, sales, provincial sales, consumption, use, transfer, land transfer, registration charges, gross receipt, turnover, excise or stamp taxes.
- 1.1.58 **“USPTO”** is defined in Section 6.9.1
- 1.1.59 **“Veg Essentials Intellectual Property”** is defined in Section 2.1.1
- 1.1.60 **“Veji Intellectual Property”** is defined in Section 2.1.3
- 1.1.61 **“Veji”** is defined in the recital of the Parties above.
- 1.1.62 **“Veji Customer Data”** is defined in Section 2.1.2.
- 1.1.63 **“Works”** is defined in Section 1.1.36.5

## 1.2 **Certain Rules of Interpretation**

- 1.2.1 **Gender, etc.** In this Agreement, words signifying the singular number include the plural and vice versa, and words signifying gender include all genders.
- 1.2.2 **Including.** Every use of the words “including” or “includes” in this Agreement is to be construed as meaning “including, without limitation” or “includes, without limitation”, respectively.
- 1.2.3 **Division and Headings.** The division of this Agreement into Articles and Sections, the insertion of headings and the inclusion of a table of contents are for convenience of reference only and do not affect the construction or interpretation of this Agreement.
- 1.2.4 **Articles, Sections, etc.** References in this Agreement to an Article, Section, Schedule or Exhibit are to be construed as references to an Article, Section, Schedule or Exhibit of or to this Agreement unless otherwise specified.
- 1.2.5 **Statutory Instruments.** Unless otherwise specified, any reference in this Agreement to any statute includes all regulations and subordinate legislation made under or in connection with that statute at any time, and is to be construed as a reference to that statute as amended, restated, supplemented, extended, re-enacted, replaced or superseded at any time.

## 1.3 **Governing Law**

This Agreement is governed by, and is to be construed and interpreted in accordance with, the Laws of the Province of British Columbia and the Laws of Canada applicable in that Province.

## 1.4 **Entire Agreement**

This Agreement, and any other agreements and documents to be delivered under this Agreement, constitutes the entire agreement between the Parties pertaining to the subject matter of this Agreement and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Parties, and there are no representations, warranties or other agreements between the Parties, express or implied, in connection with the subject matter of this Agreement except as specifically set out in this Agreement or in any other agreements and documents delivered under this Agreement. No Party has been induced to enter into this Agreement in reliance on, and there will be no liability assessed, either in tort or contract, with respect to, any warranty, representation, opinion, advice or assertion of fact, except to the extent it has been reduced to writing and included as a term in this Agreement or in any other agreements and documents delivered under this Agreement.

## 1.5 **Schedules and Exhibits**

The Schedules and Exhibits form an integral part of this Agreement. The following is a list of the Schedules and Exhibits:

<b>Schedule</b>	<b>Subject Matter</b>
A	Disclosure Schedule

<b>Schedule</b>	<b>Subject Matter</b>
<b>Exhibit</b>	<b>Subject Matter</b>
3.3	Allocation of Purchase Price
7.1.5.4	Intellectual Property Assignment Agreement
7.1.5.11	Form of Non-Disclosure, Non-Competition and Non-Solicitation Agreement

## **ARTICLE 2 PURCHASE AND SALE**

### **2.1 Purchased Assets**

Subject to the terms and conditions of this Agreement, at the Closing the Sellers will sell and the Buyer will purchase, free and clear of all Encumbrances:

- 2.1.1 the online domain [www.veganessentials.com](http://www.veganessentials.com), (the “**Domain**”) and all of Veg’s rights, assets, privileges, benefits and property, of any kind and wherever situated, whether owned or licensed, that relate to, or are used or held for use with the Domain, as they exist at the Closing and includes, without limiting the foregoing, all Intellectual Property and corresponding Intellectual Property Rights and any other important intellectual property not herein defined that is used in the ordinary course of business for the e-commerce revenue that is generated from the Domain, and for greater certainty, without limiting the foregoing, includes the Intellectual Property set forth in Section 4.14.1 of the Disclosure Schedule (the “**Veg Essentials Intellectual Property**”);
- 2.1.2 all vendor, supplier and customer lists, mailing lists, and all analytical information including ad word, metatag, keyword and historical marketing data of Veji collected under the domain names [www.shopveji.com](http://www.shopveji.com) and [www.ca.shopvejii.com](http://www.ca.shopvejii.com) related thereto (the “**Veji Customer Data**”); and
- 2.1.3 all Intellectual Property and corresponding Intellectual Property Rights related to the Veji Customer Data, including, without limiting the foregoing, the Intellectual Property set forth in Section 4.14.1 of the Disclosure Schedule (the “**Veji Intellectual Property**” and collectively with the Veg Essentials Intellectual Property, the “**Purchased Intellectual Property**”).

### **2.2 Assumed Liabilities**

Effective at the Closing, but subject to Section 2.3 (*Excluded Liabilities*), the Buyer will pay when due, assume, perform and discharge only the liabilities and obligations arising out of or related to the Purchased Assets after the Closing (the “**Assumed Liabilities**”).

### **2.3 Excluded Liabilities**

Despite anything to the contrary in this Article 2, the Assumed Liabilities will not include, and the Buyer will not assume, pay, perform, or discharge, the following liabilities and obligations (the “**Excluded Liabilities**”), all of which will remain the sole responsibility of the Sellers:

- 2.3.1 any product liability or warranty liability relating to products sold or services provided pursuant to the Purchased Assets at or before the Closing Time;
- 2.3.2 all costs and expenses that are the responsibility of the Sellers under Section 11.11 (*Costs and Expenses*);
- 2.3.3 any liability or obligation of the Sellers, absolute or contingent, incurred, due or accruing due, whether before the Closing Time, and whether for Claims or otherwise, related to or arising from any Contract or Third Party Consent applicable to the Purchased Assets; and
- 2.3.4 any liability of the Sellers for any breach by the Sellers of any Laws applicable to the Purchased Assets up to and including the Closing Time.

### **ARTICLE 3 PURCHASE PRICE**

#### **3.1 Purchase Price**

The aggregate purchase price for the Purchased Assets shall be \$900,000 (the “**Purchase Price**”), which shall be satisfied by: (i) \$150,000 in cash (the “**Closing Cash Amount**”); and (ii) the Consideration Shares.

#### **3.2 Payment of Purchase Price**

At the Closing Time, the Buyer will:

- 3.2.1 pay to the Sellers the Closing Cash Amount; and
- 3.2.2 deliver to the Sellers the Consideration Shares, and PlantX hereby agrees to issue the Consideration Shares as contemplated in this Agreement.

#### **3.3 Allocation of Purchase Price**

The Purchase Price will be allocated among the Purchased Assets and the Sellers in accordance with the provisions listed in Exhibit 3.3. The Sellers and the Buyer will cooperate in the filing of any elections under the ITA and any other applicable Tax Law as may be necessary or desirable to give effect to that allocation for Tax purposes. The Sellers and the Buyer will prepare and file their respective Tax returns in a manner consistent with that allocation and those elections.

#### **3.4 Transfer Taxes**

The Buyer and Sellers will jointly be liable for and will pay all Transfer Taxes properly payable by the Buyer in connection with the sale and transfer of the Purchased Assets. The Parties acknowledge and agree that the sale and transfer of the Purchased Assets are zero-rated supplies such that no GST is payable pursuant to sections 10 and 10.1 of Part V of Schedule VI to the ETA.

### 3.5 **Assumed Liabilities Election**

To the extent that the Sellers have received any amount in respect of an obligation to deliver goods or services, and the Buyer has agreed to assume that obligation under this Agreement, Purchased Assets having a fair market value equal to that amount are being transferred to the Buyer under this Agreement as payment by the Sellers for the Buyer's agreement to assume that obligation, and the Parties will file an election pursuant to the provisions of subsections 20(24) and 20(25) of the ITA, and any corresponding provisions of any other applicable Tax Law, within the prescribed time period.

## **ARTICLE 4 REPRESENTATIONS AND WARRANTIES OF THE SELLERS**

Veg and Veji, jointly and severally, represent and warrant to the Buyer and PlantX as follows, and acknowledges that the Buyer and PlantX are relying upon these representations and warranties in connection with the purchase of the Purchased Assets, despite any investigation made by or on behalf of the Buyer and/or PlantX.

### 4.1 **Corporate Existence**

Each of the Veg and Veji is duly organized or formed and validly existing under the laws of the jurisdiction of its organization or formation.

### 4.2 **Capacity and Authority**

Each of Veg and Veji has all necessary corporate power, authority and capacity to enter into and perform its obligations under this Agreement. The execution and delivery of this Agreement and the completion of the transactions contemplated by this Agreement have been duly authorized by all necessary corporate actions on the part of the Veg and Veji, respectively.

### 4.3 **Binding Obligation**

This Agreement has been duly executed and delivered by each of Veg and Veji and constitutes a valid and binding obligation of Veg and Veji, enforceable against Veg and Veji in accordance with its terms, subject to applicable bankruptcy, insolvency and other Laws of general application limiting the enforcement of creditors' rights generally, and to the fact that equitable remedies, including specific performance, are discretionary and may not be ordered in respect of certain defaults.

### 4.4 **Absence of Conflict**

None of the execution and delivery of this Agreement by Veg or Veji, the performance of Veg's or Veji's obligations under this Agreement, or the completion by Veg or Veji of the transactions contemplated by this Agreement will (with or without the giving of notice or lapse of time, or both):

4.4.1 result in or constitute a breach of any term or provision of, or constitute a default under, the constating documents or any resolutions of the directors or shareholders of Veg or Veji;

4.4.2 result in or constitute a breach of any term or provision of, or constitute a default under, or constitute an event that would permit any third party to amend, terminate, sue for damages

with respect to or accelerate the obligations of the Sellers under, any Contract to which the Sellers are a party, or under which the Purchased Assets may be affected;

4.4.3 result in the creation or imposition of any Encumbrance on the Purchased Assets;

4.4.4 contravene any applicable Law; or

4.4.5 contravene any judgment, order, writ, injunction or decree of any Governmental Authority.

#### 4.5 **No Other Agreements to Purchase**

No Person other than the Buyer has any written or oral agreement or option or any right or privilege (whether by Law, pre-emptive, contractual or otherwise) capable of becoming an agreement or option for the purchase or acquisition from the Sellers of any of the Purchased Assets.

#### 4.6 **Restrictive Covenants**

Neither Veg nor Veji is a party to, or bound or affected by, any Contract containing any covenant expressly limiting its ability to compete in any line of business or in any geographic location, or expressly limiting its ability to transfer or move any of its assets or operations, or that could reasonably be expected to have a Material Adverse Effect.

#### 4.7 **Title to Purchased Assets**

The Sellers own, possess and have good and marketable title to all of the Purchased Assets not otherwise the subject of specific representations and warranties in this Article 4, free and clear of all Encumbrances. At Closing, the Sellers will have the absolute and exclusive rights to sell the Purchased Assets to the Buyer as contemplated by this Agreement.

#### 4.8 **Residence of Sellers**

4.8.1 Veg is a non-resident of Canada for purposes of the ITA and the ETA, and it is not registered to collect the GST under the ETA. None of the Purchased Assets being sold by Veg constitutes "taxable Canadian property" for the purposes of the ITA.

4.8.2 Veji is not a non-resident of Canada for purpose of the ITA.

#### 4.9 **Regulatory Approvals**

No authorization, approval, order or consent of, or filing with, any Governmental Authority is required on the part of the Sellers in connection with the execution, delivery and performance of this Agreement or any other documents and agreements to be delivered under this Agreement.

#### 4.10 **Financial Statements**

The Financial Statements have been prepared in accordance with IFRS and present fairly:

4.10.1 the assets, liabilities (contingent or otherwise) and financial condition of the Sellers as at the respective dates of the Financial Statements; and



4.10.2 the sales, earnings and results of the operations of the Sellers during the periods covered by the Financial Statements,

but the unaudited interim financial statements:

4.10.3 do not contain all notes required under IFRS; and

4.10.4 are subject to normal year-end audit adjustments, which individually or in the aggregate would not be material to any buyer contemplating the purchase of the Purchased Assets.

#### 4.11 **Tax Matters**

The Sellers have paid or made arrangements for the payment of all Taxes in respect of the ownership and use of the Purchased Assets including from the sale and distribution of goods and the provision of services thereunder that, as of the Closing Date, are capable of forming or resulting in a lien on the Purchased Assets or of becoming a liability or obligation of the Buyer. There are no Claims in progress, pending or threatened, in connection with any Taxes arising from, related to or in connection with the Purchased Assets. The Sellers have deducted, withheld or collected, and remitted, all amounts required to be deducted, withheld, collected or remitted by it in respect of any Taxes.

#### 4.12 **Absence of Changes**

Since December 31, 2021, no Material Adverse Effect has occurred.

#### 4.13 **Absence of Undisclosed Liabilities**

Except to the extent reflected or reserved in the Financial Statements, or incurred subsequent to December 31, 2021 and incurred in the ordinary course, neither Veg nor Veji has any outstanding indebtedness or any liabilities or obligations (contingent or otherwise, including under any guarantee of any debt) arising from, relating to or in connection with the Purchased Assets.

#### 4.14 **Intellectual Property**

4.14.1 Section 4.14.1 of the Disclosure Schedule lists all Purchased Intellectual Property that is i) registered with any Governmental Authority, the jurisdictions (if any) in which that Purchased Intellectual Property is registered (or in which application for registration has been made), and the applicable expiry dates of all listed registrations.; and ii) material unregistered Purchased Intellectual Property. All of the Purchased Intellectual Property is valid and enforceable and all registrations thereof are subsisting and in full force and effect. All necessary legal steps have been taken by Sellers to preserve its rights to the Purchased Intellectual Property listed in Section 4.14.1 of the Disclosure Schedule. Section 4.14.1 of the Disclosure Schedule also lists all licence agreements and material agreements under which Sellers has been granted a right to use, or otherwise exploit, Purchased Intellectual Property owned by third parties.

4.14.2 Sellers own or have adequate, valid and enforceable rights to use all the Purchased Intellectual Property, free and clear of all Encumbrances. Sellers are not bound by any outstanding judgment, injunction, order or decree restricting the use of the Purchased Intellectual Property, or restricting the licensing thereof to any person or entity. The use by Sellers of any Purchased Intellectual Property owned by third parties is valid, and Sellers are

not in default or breach of any licence agreement relating to that Purchased Intellectual Property, and there exists no state of facts that, after notice or lapse of time or both, would constitute a default or breach under the Purchased Intellectual Property. The conduct by Sellers in the ownership and use of the Purchased Assets including the Purchased Intellectual Property including the sale and distribution of goods and the provision of services thereunder does not infringe the Intellectual Property, moral rights, or other rights of any Person.

- 4.14.3 Sellers prior and current use of the Purchased Intellectual Property has not and does not infringe, violate, dilute or misappropriate the Intellectual Property, moral rights, or other rights of any Person or entity and there are no claims pending or threatened by any person or entity with respect to the ownership, validity, enforceability, effectiveness or use of the Purchased Intellectual Property. No Person or entity is infringing, misappropriating, diluting or otherwise violating any of the Purchased Intellectual Property, and neither Sellers nor any of their affiliates have made or asserted any claim, demand or notice against any Person or entity alleging any such infringement, misappropriation, dilution or other violation.
- 4.14.4 Except for the consent of the domain name registrar, no consents are required for the Sellers to sell and assign the Purchased Assets to the Buyer.
- 4.14.5 The Domain has been and continues to be properly registered with Veg as the registrant pursuant to a valid domain name registration agreement, and Veg is the sole and exclusive registrant and has the unrestricted right and capacity to transfer the Domain to the Buyer.
- 4.14.6 Veg is not in breach of any such domain name registration agreements and all fees in respect of the Domain have been paid in a timely fashion and are up-to-date.
- 4.14.7 Sellers have complied with all material terms of use, terms of service, and other Contracts and all associated policies and guidelines relating to its use of any Domain Names, social media platforms, sites, or services.

#### 4.15 **Compliance with Laws**

The use and operation of the Purchased Assets including the sale and distribution of all goods and provision of all services thereunder are in compliance with all applicable Laws, and the Sellers have not received notice of any violation by the Sellers of any Laws.

#### 4.16 **No Permits**

No authorization, registration, permit, approval, grant, licence, quota, consent or exemption from any Governmental Authority is required to enable the Sellers to use the Purchased Assets including the sale and distribution of goods and the provision of services thereunder as currently conducted.

#### 4.17 **Rights to Use Personal Information**

- 4.17.1 All Personal Information in the possession of the Sellers have been collected, used and disclosed in compliance with all applicable Laws in those jurisdictions in which the Sellers conducts, or is deemed by operation of law in those jurisdictions to conduct business using the Purchased Assets.

4.17.2 The Sellers have disclosed to the Buyer all Contracts and facts concerning the collection, use, retention, destruction and disclosure by the Sellers of Personal Information, and there are no other Contracts or facts that would restrict the ability of the Sellers to transfer Personal Information to the Buyer in connection with the transactions contemplated by this Agreement, or that, on completion of the transactions contemplated by this Agreement, would restrict or interfere with the use of any Personal Information by the Buyer in the continued use of the Purchased Assets as conducted before the Closing.

4.17.3 Except as disclosed in Section 4.17.3 of the Disclosure Schedule, there are no Claims pending or threatened with respect to the Sellers' collection, use or disclosure of Personal Information.

#### 4.18 **Product Warranties**

There are no Claims against the Sellers under warranties or with respect to the sale and distribution of any products or the provision of any services under the Purchased Assets, and there is no basis for any possible prospective Claim against, or Loss on the part of, the Sellers arising from, relating to, or in connection with the sale and distribution of products or the provision of services under the Purchased Assets.

#### 4.19 **Insurance Policies**

Section 4.19 of the Disclosure Schedule lists all insurance policies maintained by the Sellers, and also specifies the insurer, the amount of the coverage, the type of insurance, the policy number and any pending Claims with respect to each insurance policy. The insurance policies maintained by the Sellers insure all the Purchased Assets against loss or damage by all insurable hazards of risk on a replacement cost basis. All insurance policies are in full force and effect and the Sellers:

4.19.1 is not in default, in the payment of premiums or otherwise, under any material term or condition of any of the insurance policies; and

4.19.2 has not failed to give notice or present any Claim under any of the insurance policies in a due and timely fashion and in accordance with the terms of the insurance policies.

#### 4.20 **Litigation**

4.20.1 There are no Claims, whether or not purportedly on behalf of or against Veg or Veji, pending, commenced, or threatened, that might reasonably be expected to have a Material Adverse Effect or that might result in an Encumbrance against the Purchased Assets.

4.20.2 There is no outstanding judgment, decree, order, ruling or injunction in favour of, against or otherwise involving the Purchased Assets or the sale and distribution of goods and the provision of services thereunder or relating in any way to the transactions contemplated by this Agreement.

#### 4.21 **No Expropriation**

None of the Purchased Assets have been taken or expropriated by any Governmental Authority, no notice or proceeding in respect of any expropriation of the Purchased Assets has been given or

commenced and there is no intent or proposal to give any notice or commence any proceeding in respect of any expropriation of the Purchased Assets.

#### **4.22 Canadian Securities Legends**

The Sellers acknowledge and represent that the certificates representing the Consideration Shares and Common Shares payable pursuant to the Finder's Fee will bear a Canadian statutory 4-month hold legend (or an ownership statement issued under a book-entry system will bear a legend restriction notation) in substantially the following form:

“UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE \_\_\_\_, 20\_\_.” {THE DATE WHICH IS FOUR MONTHS AND ONE DAY AFTER THE CLOSING DATE}

#### **4.23 Brokerage Fees**

Neither Veg nor Veji have retained any financial advisor, broker, agent or finder, or entered into any agreement entitling any Person to any broker's commission, finder's fee or similar payment, relating to this Agreement or the transactions contemplated by this Agreement.

### **ARTICLE 5 REPRESENTATIONS AND WARRANTIES OF THE BUYER**

Each of the Buyer and PlantX jointly and severally represents and warrants to the Sellers as follows, and acknowledges that the Sellers are relying upon these representations and warranties in connection with the sale of the Purchased Assets, despite any investigation made by or on behalf of the Sellers.

#### **5.1 Corporate Existence**

Each of the Buyer and PlantX is duly organized or formed and validly existing under the laws of the jurisdiction of its organization or formation.

#### **5.2 Capacity and Authority**

Each of the Buyer and PlantX has all necessary corporate power, authority and capacity to enter into and perform its obligations under this Agreement. The execution and delivery of this Agreement and the completion of the transactions contemplated by this Agreement have been duly authorized by all necessary corporate action on the part of the Buyer and PlantX, respectively.

#### **5.3 Consideration Shares**

The Common Shares are listed and posted for trading on the CSE. PlantX is in material compliance with the applicable policies of the CSE. On the Closing Date, the Consideration Shares required to be issued pursuant to the terms of this Agreement will be duly and validly created, authorized, allotted, issued and delivered, and such Consideration Shares will be issued by PlantX as fully paid and non-assessable shares and the issuance and delivery of such Consideration Shares will be in material compliance with all applicable Laws.

#### 5.4 **Binding Obligation**

This Agreement has been duly executed and delivered by each of the Buyer and PlantX and constitutes a valid and binding obligation of the Buyer and PlantX, enforceable against the Buyer and PlantX in accordance with its terms, subject to applicable bankruptcy, insolvency and other Laws of general application limiting the enforcement of creditors' rights generally, and to the fact that equitable remedies, including specific performance, are discretionary and may not be ordered in respect of certain defaults.

#### 5.5 **Absence of Conflict**

None of the execution and delivery of this Agreement by the Buyer or PlantX, the performance of the Buyer's or PlantX's obligations under this Agreement, or the completion by the Buyer or PlantX of the transactions contemplated by this Agreement, will result in or constitute a breach of any term or provision of, or constitute a default under, the constating documents of the Buyer or PlantX or any resolutions of the directors or shareholders of Veg or Veji or any agreement or other commitment to which the Buyer or PlantX is a party.

#### 5.6 **Regulatory Approvals**

No authorization, approval, order or consent of, or filing with, any Governmental Authority is required on the part of the Buyer or PlantX in connection with the execution, delivery and performance of this Agreement or any other documents and agreements to be delivered under this Agreement.

#### 5.7 **Residence of Buyer**

Buyer is a non-resident of Canada and not registered to collect the GST under the ETA.

#### 5.8 **Brokerage Fees**

Other than for the Finder Fee, neither the Buyer nor PlantX has retained any financial advisor, broker, agent or finder, or entered into any agreement entitling any Person to any broker's commission, finder's fee or similar payment, relating to this Agreement or the transactions contemplated by this Agreement.

### **ARTICLE 6 COVENANTS**

#### 6.1 **Conduct of Business Before Closing**

From the date of this Agreement until the Closing Time, and except as expressly permitted or contemplated by this Agreement, Veg and Veji will:

- 6.1.1 carry on its business only in the ordinary course, consistent with past practice;
- 6.1.2 make all commercially reasonable efforts to maintain good relationships with customers, vendors, suppliers and others having business dealings with Veg or Veji;

- 6.1.3 refrain from entering into or becoming bound by any Contract that affect or may affect the Purchased Assets, other than in the ordinary course;
- 6.1.4 continue in full force all of its insurance policies; and
- 6.1.5 comply in all respects with all Laws applicable to the Purchased Assets.

## 6.2 **Access for Investigation**

Veg and Veji will permit the Buyer through its authorized representatives, until the Closing Date, to have reasonable access during normal business hours to the senior management of Veg and Veji and the books and records of Veg and Veji as they relate to the Purchased Assets. Veg and Veji will also provide the Buyer with any financial and operating data and other information with respect to Veg, Veji and the Purchased Assets as the Buyer and PlantX reasonably request to enable the Buyer and PlantX to confirm the accuracy of the matters represented and warranted in Article 4 (*Representations and Warranties of the Sellers*). The Buyer and PlantX will be given sufficient opportunity to fully investigate all aspects of the financial affairs of Veg and Veji as it relates to the Purchased Assets.

## 6.3 **Third Party Consents**

- 6.3.1 Veg and Veji will make all commercially reasonable efforts to obtain and maintain, before the Closing, all consents, approvals and waivers required under any Contract to complete the transactions contemplated by this Agreement.
- 6.3.2 The Buyer and PlantX will make all commercially reasonable efforts to cooperate with and assist Veg and Veji in obtaining and maintaining the consents, approvals and waivers set out in this Section 6.3, including by providing any information relating to the Buyer and PlantX that is reasonably requested by a third party to grant its consent.

## 6.4 **Actions to Satisfy Closing Conditions**

Each Party will take all actions that are within its power to control, and will make all commercially reasonable efforts to cause actions to be taken that are not within its power to control, to satisfy the conditions in Article 7.

## 6.5 **Notification of Change**

From the date of this Agreement until the Closing Time, Veg and Veji will promptly notify the Buyer and PlantX in writing of:

- 6.5.1 any event or state of facts that occur or fail to occur which would, or would be reasonably likely to:
  - 6.5.1.1 cause any of the Veg's or Veji's representations or warranties in this Agreement to be inaccurate at any time from the date of this Agreement until the Closing Time;
  - 6.5.1.2 result in the Veg's or Veji's failure to comply with any covenant in this Agreement to be complied with at or before the Closing Time; or

- 6.5.1.3 result in the failure of any of the conditions in Section 7.1 (*Conditions for the Benefit of the Buyer*) or 7.3 (*Mutual Conditions Precedent*) to be satisfied;
- 6.5.2 the occurrence, after the date of this Agreement, of a Material Adverse Effect;
- 6.5.3 any notice or other communication from any Person alleging that the consent (or waiver, permit, exemption, order, approval, agreement or confirmation) of that Person (or another Person) is or may be required in connection with this Agreement or the transactions contemplated by this Agreement; or
- 6.5.4 any Claims commenced or threatened, that relate to or involve Veg or Veji, the Purchased Assets or the transactions contemplated by this Agreement.

Notification provided under this Section 6.5 will not affect the representations, warranties or covenants of the Parties (or related remedies) or the conditions to the obligations of the Parties in this Agreement.

## 6.6 **Exclusivity**

From the date of this Agreement until the Closing Time, neither Veg nor Veji will:

- 6.6.1 solicit, initiate, knowingly facilitate or encourage, or accept; or
- 6.6.2 participate in any discussions, conversations, negotiations or other communications regarding,

any offer or proposal relating to any transaction (other than the purchase and sale transaction contemplated by this Agreement) involving the sale of all or any part of the Purchased Assets. If an offer or proposal relating to a transaction contemplated in this Section 6.6 is made to Veg or Veji, Veg or Veji, as applicable, will provide prompt notice of the offer or proposal to the Buyer.

## 6.7 **Personal Information**

- 6.7.1 The collection, use and disclosure of Personal Information by any of the Parties before the Closing is restricted to those purposes that relate to the transactions contemplated by this Agreement.
- 6.7.2 Following the Closing, the Buyer will:
  - 6.7.2.1 use and disclose the Personal Information transferred to it under the terms of this Agreement solely for the purposes for which that Personal Information was collected or permitted to be used or disclosed before the transaction was completed;
  - 6.7.2.2 protect that Personal Information by security safeguards appropriate to the sensitivity of the information;
  - 6.7.2.3 notify the employees, vendors, suppliers, customers, directors, officers and shareholders whose Personal Information is disclosed that the transactions contemplated by this Agreement have taken place; and

- 6.7.2.4 give effect to any withdrawal of consent made in accordance with clause 4.3.8 of Schedule 1 to the *Personal Information Protection and Electronic Documents Act* (Canada).

## 6.8 Restrictive Covenants—ITA 56.4

Veji shall not, and shall cause each of Veg, Veg's and Veji's respective officers, directors and each shareholder of Veji holding 10% or more of the outstanding voting securities of Veji, not to:

- (a) for a period that will be perpetual after the Closing Date
  - (i) disclose or use any Confidential Information;
  - (ii) utilize, in any capacity or manner, whether directly or indirectly, the Domain;
  - (iii) use, grant a right to use, encourage the use of, license or otherwise exploit, register, apply to register, or otherwise take any steps to register rights in the Purchased Intellectual Property;
  - (iv) continue to use, link or host a website or cause any other third party, whether directly or indirectly, to use, link or host a website under domain name [www.shopveji.com](http://www.shopveji.com) or [www.shopvejii.com](http://www.shopvejii.com); and
- (b) for a period of two (2) years after the Closing Date, in any capacity or manner, whether directly or indirectly:
  - (i) be engaged or interested in, or carry on, any business or undertaking that competes with the Buyer's business, namely the sale and distribution of vegan and plant-based food, beverage, health, wellness and beauty products (which for greater certainty and without limiting the foregoing, includes any such products intended for use by pets) and house plants and accessories to consumers in Canada, the United States of America and the United Kingdom of Great Britain and Northern Ireland;
  - (ii) hire or attempt to hire or otherwise solicit any employees of the Buyer or PlantX for employment in or services to any business or undertaking with which it is associated; and
  - (iii) solicit any vendors, suppliers, customers or clients of the Buyer or PlantX or any other customers and or clients that form part of the vendor, supplier, customer and mailing lists associated with the Purchased Assets.
- (c) The Parties agree that no proceeds are received or receivable in respect of the granting of covenants in this Section 6.8, and that such covenants are being granted to maintain or preserve the fair market value of the Purchased Assets. The Parties covenant and agree to file, within the prescribed time and in the prescribed manner, one or more elections pursuant to paragraph 56.4(7)(g) of the ITA and any corresponding provisions of any other applicable Tax Law.



## 6.9 Intellectual Property Registrations

6.9.1 Following the Closing, each of Veg and Veji agrees to deliver to Buyer any further documents and information and otherwise cooperate with the Buyer in applying for registrations for the Trademarks forming part of the Purchased Assets in any jurisdiction to be submitted to any corresponding intellectual property office including the Canadian Intellectual Property Office (“**CIPO**”) and the United States Patent and Trademark Office (“**USPTO**”), which can include the following historical information in the United States and Canada:

- 6.9.1.1 **Company:** Corporate history information;
- 6.9.1.2 **Licensees:** The identity of any licensees and details related to the licensed use of the Trademarks;
- 6.9.1.3 **Length of Use:** Information related to the length of time the Trademarks have been used in association with goods and services;
- 6.9.1.4 **Nature and Specimen of Use of the Trademarks:** Representative specimens of use of the Trademarks in association with goods and services;
- 6.9.1.5 **Advertising and Promotion:** Representative examples of print and online advertising including approximate volume and distribution of print ads in each province/state, printouts including representative captures of archived versions of the website hosted under the Domain, Google Analytics or the like showing number of visitors to the Domain since initiation of the Domain, printouts from social media accounts since initiation of the accounts, and information related to radio/television ads or other forms of advertising;
- 6.9.1.6 **Advertising Expenditure:** A breakdown of annual advertising expenditures associated with the promotion of services offered on the website hosted under the Domain, including a breakdown province by province/state by state;
- 6.9.1.7 **Sales Volume and Revenue:** A breakdown of annual revenue from the Domain including a breakdown province by province/state by state; and
- 6.9.1.8 **Industry Recognition/Trademarks Recognition:** Information related to awards, recognitions or rankings that the Trademarks used on the website under the Domain have received including a copy of announcements or media coverage.

## 6.10 Commercial Introductions

The Sellers covenant to use all commercially reasonable efforts to introduce the Buyer to their vendors and suppliers of goods and providers of services used in connection with the Purchased Assets or from which the Sellers have purchased goods or services for distribution under the Purchased Assets since the beginning of the last financial year of the Sellers.

## ARTICLE 7 CLOSING CONDITIONS

### 7.1 Conditions for the Benefit of the Buyer

The obligation of the Buyer to complete the purchase of the Purchased Assets is subject to the satisfaction, or waiver by the Buyer, at or before the Closing Time, of the following conditions, which are for the sole benefit of the Buyer and which may be waived, in whole or in part, by the Buyer at any time without prejudice to the Buyer's right to rely on any other condition precedent.

- 7.1.1 **Representations and Warranties.** The representations and warranties of each of Veg and Veji made in this Agreement that are qualified by materiality or Material Adverse Effect will be true and accurate at the Closing Time as if made as of the Closing Time, and each of the other representations and warranties of Veg and Veji made in this Agreement will be true and accurate in all material respects at the Closing Time as if made as of the Closing Time.
- 7.1.2 **Covenants.** Each of Veg and Veji will have performed in all material respects each of its obligations required to be performed at or before the Closing Time under this Agreement.
- 7.1.3 **No Material Adverse Effect.** Since the date of this Agreement, no Material Adverse Effect will have occurred.
- 7.1.4 **Consents.** All filings with, notifications to and consents from Governmental Authorities and all Third Party Consents will have been made, given or obtained on terms acceptable to the Buyer, acting reasonably, so that the transactions contemplated by this Agreement may be completed without resulting in the breach of, or any default, termination, amendment or acceleration of any obligation under, any Contract.
- 7.1.5 **Deliveries.** The Sellers will have delivered, or caused to be delivered, to the Buyer the following in form and substance satisfactory to the Buyer:
  - 7.1.5.1 certificates of each of the Veg and Veji, signed on its behalf by a senior officer of the Veg and Veji, respectively, confirming the matters set out in Sections 7.1.1 (*Representations and Warranties*) and 7.1.2 (*Covenants*), dated as of the Closing Date;
  - 7.1.5.2 certified copies of resolutions of the directors and the shareholders of Veg authorizing the transactions set out in this Agreement;
  - 7.1.5.3 certified copies of resolutions of the directors of Veji authorizing the transactions set out in this Agreement;
  - 7.1.5.4 an intellectual property assignment agreement substantially in the form attached as Exhibit 7.1.5.4;
  - 7.1.5.5 evidence of the re-registration of the domain name [www.veganessentials.com](http://www.veganessentials.com) in the name of the Buyer;
  - 7.1.5.6 an intellectual property assignment agreement between Katie Partridge and Veg, in form and substance satisfactory to the Buyer, acting reasonably;

- 7.1.5.7 an intellectual property assignment agreement between Richard Paro and Veg, in form and substance satisfactory to the Buyer, acting reasonably;
- 7.1.5.8 the consents referred to in Section 7.1.4 (*Consents*);
- 7.1.5.9 a no-interest letter or a discharge from Royal Bank of Canada in regards to Base Registration **[Redacted]** under *Personal Property and Security Act* (British Columbia);
- 7.1.5.10 all deeds, conveyances, assurances, transfers, assignments and other instruments necessary or reasonably required to transfer to the Buyer good title to the Purchased Assets, free and clear of all Encumbrances;
- 7.1.5.11 the non-disclosure, non-competition and non-solicitation agreements executed by Veg, Veji, each of the officers and directors of Veg and Veji, and shareholders holding equal to or greater than 10% of the issued and outstanding voting securities of Veji, substantially in the form attached as Exhibit 7.1.5.11; and
- 7.1.5.12 all other documentation and evidence reasonably requested by the Buyer to establish the due authorization and completion by Veg and Veji of the transactions contemplated by this Agreement, respectively.

## 7.2 Conditions for the Benefit of the Sellers

The obligation of the Sellers to complete the sale of the Purchased Assets is subject to the satisfaction, or waiver by the Sellers, at or before the Closing Time, of the following conditions, which are for the sole benefit of the Sellers and which may be waived, in whole or in part, by the Sellers at any time without prejudice to the Sellers' right to rely on any other condition precedent.

- 7.2.1 **Representations and Warranties.** The representations and warranties of each of the Buyer and PlantX made in this Agreement will be true and accurate in all material respects at the Closing Time as if made as of the Closing Time.
- 7.2.2 **Covenants.** The Buyer will have performed in all material respects each of its obligations required to be performed at or before the Closing Time under this Agreement.
- 7.2.3 **Deliveries.** The Buyer will have delivered to the Sellers the following in form and substance satisfactory to the Sellers:
  - 7.2.3.1 certificates of each of the Buyer and PlantX, signed on its behalf by a senior officer of the Buyer and PlantX, respectively, confirming the matters set out in Sections 7.2.1 (*Representations and Warranties*) and 7.2.2 (*Covenants*), dated as of the Closing Date; and
  - 7.2.3.2 all documentation and other evidence reasonably requested by the Sellers to establish the due authorization and completion by the Buyer and PlantX of the transactions contemplated by this Agreement, respectively.

### 7.3 **Mutual Conditions Precedent**

The purchase and sale of the Purchased Assets is subject to the satisfaction, or waiver by the Buyer and the Sellers, at or before the Closing Time, of each of the following conditions, which are for the mutual benefit of the Buyer and the Sellers and which may be waived, in whole or in part, by consent of the Buyer and the Sellers at any time without prejudice to any right of the Buyer or the Sellers to rely on any other condition precedent.

7.3.1 **No Action to Restrain.** No order of any Governmental Authority will be in force, and no action or proceeding will be pending or threatened by any Person:

7.3.1.1 to restrain or prohibit the completion of the transactions contemplated by this Agreement, including the sale and purchase of the Purchased Assets; or

7.3.1.2 that would have a Material Adverse Effect.

7.3.2 **Share Consolidation.** PlantX shall have completed the Consolidation.

## **ARTICLE 8 CLOSING ARRANGEMENTS**

### 8.1 **Closing**

The Closing will take place at the Closing Time. All required documents may be delivered as originals or may be delivered by electronic transmission.

### 8.2 **Closing Deliveries**

At the Closing Time:

8.2.1 the Buyer will make, or cause to make, the payments and deliveries set out in Section 3.2 (*Payment of Purchase Price*);

8.2.2 the Buyer will deliver or cause to be delivered to the Sellers, in trust for the Finder, the Finder's Fee;

8.2.3 the Sellers will deliver or cause to be delivered to the Buyer the Purchased Assets;

8.2.4 the Sellers will deliver or cause to be delivered to the Buyer the documents set out in Section 7.1.5 (*Deliveries*); and

8.2.5 the Buyer will deliver or cause to be delivered to the Sellers the documents set out in Section 7.2.3 (*Deliveries*).

## ARTICLE 9 TERMINATION

### 9.1 Termination Rights

This Agreement may be terminated at any time before the Closing:

- 9.1.1 by mutual written consent of the Parties;
- 9.1.2 by the Buyer, upon written notice to the Sellers (specifying in reasonable detail the circumstances giving rise to the Buyer's right to terminate):
  - 9.1.2.1 if any condition set out in Section 7.1 (*Conditions for the Benefit of the Buyer*) or 7.3 (*Mutual Conditions Precedent*) that has not been waived by the Buyer is not satisfied at or before the Closing Time; or
  - 9.1.2.2 if any condition set out in Section 7.1 (*Conditions for the Benefit of the Buyer*) or 7.3 (*Mutual Conditions Precedent*) that has not been waived by the Buyer is not capable of being satisfied by the Outside Date,in each case provided that the failure to satisfy that condition is not the result, directly or indirectly, of the Buyer's breach of this Agreement;
- 9.1.3 by the Sellers, upon written notice to the Buyer (specifying in reasonable detail the circumstances giving rise to the Sellers' right to terminate):
  - 9.1.3.1 if any condition set out in Section 7.2 (*Conditions for the Benefit of the Sellers*) or 7.3 (*Mutual Conditions Precedent*) that has not been waived by the Sellers are not satisfied at or before the Closing Time; or
  - 9.1.3.2 if any condition set out in Section 7.2 (*Conditions for the Benefit of the Sellers*) or 7.3 (*Mutual Conditions Precedent*) that has not been waived by the Sellers are not capable of being satisfied by the Outside Date,in each case provided that the failure to satisfy that condition is not the result, directly or indirectly, of the breach of this Agreement by the Sellers; or
- 9.1.4 by the Buyer or the Sellers, upon written notice to the other Party, if the Closing does not occur by 11:59 p.m. on the Outside Date, provided that a Party may not terminate this Agreement under this Section 9.1.4 if the failure of the Closing to occur is the result, directly or indirectly, of that Party's breach of this Agreement.

### 9.2 Effect of Termination

If this Agreement is terminated in accordance with Section 9.1, the Parties will be released from all of their obligations under this Agreement, except that:

- 9.2.1 this Section 9.2, and Section 11.10 (*Costs and Expenses*), will survive the termination of this Agreement and continue in full force and effect;

- 9.2.2 in the event this Agreement is terminated by the Buyer in accordance with Section 9.1.2 and the Buyer has otherwise complied with Section 7.2 in all material respects, then the Sellers shall promptly pay the Buyer a break fee of \$50,000; and
- 9.2.3 the termination of this Agreement at any time before the Closing will not relieve any Party from any other liability arising before that termination.

## **ARTICLE 10 INDEMNIFICATION AND SURVIVAL**

### **10.1 Indemnification by the Sellers**

Subject to the other provisions of this Article 10, Veg and Veji will, if the Closing occurs, jointly and severally, indemnify and hold harmless each Buyer Indemnified Party from and against any Loss that a Buyer Indemnified Party may suffer as a result of, relating to or arising from:

- 10.1.1 any breach of any representation or warranty made by Veg or Veji in this Agreement;
- 10.1.2 any non-performance of any covenant or agreement of Veg or Veji contained in this Agreement; and
- 10.1.3 any Excluded Liabilities.

### **10.2 Survival Periods for Claims by Buyer Indemnified Parties**

- 10.2.1 The covenants, representations and warranties made by Veg and Veji in this Agreement will survive the Closing and completion of the transactions contemplated by this Agreement, and will continue in full force and effect.
- 10.2.2 Subject to Section 10.2.3, a Buyer Indemnified Party may make an Indemnity Claim relating to the following matters only if an Indemnity Notice of that Indemnity Claim is delivered to Veg within the following periods or before the following deadlines:
- 10.2.2.1 if the Indemnity Claim relates to any breach of any representation or warranty made by Veg in this Agreement, other than a breach specified in the remainder of this Section 10.2.2, within 24 months after the Closing Date; and
- 10.2.2.2 if the Indemnity Claim relates to any breach of the representations and warranties made in Sections 4.8 (*Residence of Sellers*) or 4.11 (*Tax Matters*), on or before the date that is 90 days after the last day upon which any relevant Governmental Authority is entitled to assess or reassess the Buyer for any Tax in respect of those representations and warranties.

- 10.2.3 Subject to Section 10.2.2.2, the notice periods set out in Section 10.2.2 will not apply to an Indemnity Claim based on any breach of the Fundamental Representations and Warranties, intentional misrepresentation or fraud by the Sellers relating to this Agreement.

### **10.3 Amount Limitations on Indemnification Obligations**

- 10.3.1 Subject to Section 10.3.2:

- 10.3.1.1 the indemnification obligations of Veg and Veji under this Article 10 are limited in the aggregate to the twenty (20%) of the Purchase Price; and
  - 10.3.1.2 Veg and Veji will not be required to indemnify any Buyer Indemnified Party under this Article 10 unless the aggregate of all Losses under the Indemnity Claims made by the Buyer Indemnified Parties exceeds \$50,000 in which case the Sellers as Indemnifying Parties will be obligated to pay the full amount owing by it under this Article 10 in respect of all Indemnity Claims (both below and above that threshold).
- 10.3.2 If any Indemnity Claims are made by a Buyer Indemnified Party against Veg or Veji:
- 10.3.2.1 relating to the non-performance of any covenant or agreement of Veg or Veji;
  - 10.3.2.2 under Section 10.1.3;
  - 10.3.2.3 relating to any breach of the Fundamental Representations and Warranties; or
  - 10.3.2.4 based on intentional misrepresentation or fraud,
- then:
- 10.3.2.5 the limitations in Sections 10.3.1.1 and 10.3.1.2 will not apply to those Indemnity Claims, and the Losses under those Indemnity Claims will not be taken into account in determining whether the threshold in Section 10.3.1.2 has been met.

#### 10.4 **Rules Relating to Indemnification Obligations**

The following will apply to the indemnification obligations under this Article 10.

- 10.4.1 **Effect of Waiver.** The waiver of any condition relating to any representation, warranty or covenant will not affect the right to indemnification under this Article 10 based on that representation, warranty or covenant.
- 10.4.2 **Insurance Recoveries.** Before an Indemnifying Party is required to indemnify a Buyer Indemnified Party for any Loss under an Indemnity Claim, the Buyer Indemnified Party must first make all commercially reasonable efforts to seek recovery for that Loss under any applicable insurance policies held by the Buyer Indemnified Party. The amount of any Loss under an Indemnity Claim will be net of any amounts actually recovered by the Buyer Indemnified Party under insurance policies with respect to that Loss.
- 10.4.3 **No Double Recovery.** No Buyer Indemnified Party is entitled to double recovery for any Indemnity Claim even though the Indemnity Claim may have resulted from the breach or inaccuracy of more than one of the representations, warranties, covenants and obligations of the Indemnifying Party under this Agreement.
- 10.4.4 **Materiality.** In the case of an Indemnity Claim by a Buyer Indemnified Party under this Article 10 for breach by Veg or Veji of a representation or warranty that is qualified by materiality or Material Adverse Effect, the Buyer Indemnified Party will be entitled to claim the full amount of the Loss resulting from that breach without regard to the materiality or Material Adverse Effect qualifier. However, the determination under this Article 10 of whether there has been

a breach of a representation or warranty that is qualified by materiality or Material Adverse Effect will be made having regard to the materiality or Material Adverse Effect qualifier.

10.4.5 **Remoteness and Mitigation.** The quantum of Losses that can be recovered by a Buyer Indemnified Party under this Article 10 will not be affected by the application of principles of remoteness of damages, or the duty to mitigate, provided that this Section 10.4.5 will not limit the obligations of a Buyer Indemnified Party under Section 10.4.2 (*Insurance Recoveries*).

#### 10.5 **Notice of Indemnity Claims**

If a Buyer Indemnified Party becomes aware of a Loss or potential Loss in respect of which an Indemnifying Party has agreed to indemnify it under this Article 10, the Buyer Indemnified Party will promptly give written notice (an “**Indemnity Notice**”) of its Claim or potential Claim for indemnification (an “**Indemnity Claim**”) to the Indemnifying Party. An Indemnity Notice must specify whether the Indemnity Claim arises as the result of a Claim made against a Buyer Indemnified Party by a Person who is not a Party, or as a result of a Loss that was suffered directly by a Buyer Indemnified Party, and must also specify with reasonable particularity (to the extent that the information is available):

10.5.1 the factual basis for the Indemnity Claim; and

10.5.2 the amount of the Indemnity Claim, if known.

If, through the fault of the Buyer Indemnified Party, the Indemnifying Party does not receive an Indemnity Notice of an Indemnity Claim in time to effectively contest the determination of any liability capable of being contested, the Indemnifying Party will be entitled to set-off against the amount claimed by the Buyer Indemnified Party the amount of any Loss incurred by the Indemnifying Party resulting from the Buyer's Indemnified Party's failure to give an Indemnity Notice on a timely basis.

#### 10.6 **Payment of Claims**

Once the validity and amount of an Indemnity Claim has been finally determined, by agreement between the Indemnifying Party and the Buyer Indemnified Party, by binding, final and non-appealable determination, or by settlement, then the Indemnifying Party will promptly pay that amount to the Buyer Indemnified Party.

#### 10.7 **Indemnity Adjustments to Purchase Price**

Any payment made to a Buyer Indemnified Party under this Article 10 will constitute a decrease to the Purchase Price.

#### 10.8 **Exclusive Remedy**

10.8.1 Subject to Section 10.8.2, if the Closing occurs the rights of indemnity in this Article 10 will be the sole and exclusive remedy of any Buyer Indemnified Party for any breach of a representation or warranty, or non-performance of any covenant or agreement, contained in this Agreement, and each Buyer Indemnified Party waives any other recourse or remedy it may have in contract, tort or otherwise.

10.8.2 Nothing in this Section 10.8 will limit or restrict an Indemnified Party from seeking:



- 10.8.2.1 equitable remedies, under Section 11.13 (*Equitable Remedies*) or otherwise; or
- 10.8.2.2 any remedies that may be available to a Buyer Indemnified Party in the case of intentional misrepresentation or fraud.

## 10.9 **Third Party Indemnification**

To ensure that the indemnities provided by Veg and Veji to any Buyer Indemnified Parties that are not parties to this Agreement are enforceable, it is agreed by the Parties that the Buyer is acting as agent for the Buyer Indemnified Parties (that are not Parties) with respect to the indemnities intended to be given to those Persons under this Article 10. The Buyer agrees that it will hold any right to indemnification that any relevant Buyer Indemnified Party is intended to have under this Article 10 in trust for that Person, and that funds received by the Buyer in respect of any Claims under this Article 10 by the relevant Buyer Indemnified Party will be held in trust for that Person.

## **ARTICLE 11 GENERAL**

### 11.1 **Time of Essence**

Time is of the essence in all respects of this Agreement.

### 11.2 **Notices**

Any Communication must be in writing and either:

- 11.2.1 delivered personally or by courier;
- 11.2.2 sent by prepaid registered mail; or
- 11.2.3 transmitted by e-mail or functionally equivalent electronic means of transmission, charges (if any) prepaid.

Any Communication must be sent to the intended recipient at its address as follows:

to Veg or Veji at:

Veji Holdings Ltd.  
106-460 Doyle Avenue  
Kelowna, British Columbia  
V1Y 0C2

Attention: Kory Zelickson, CEO  
E-mail: [kory@shopveji.com](mailto:kory@shopveji.com)

to the Buyer or PlantX at:

550 Burrard Street  
Suite 2300

Vancouver, British Columbia  
V6C 2B5

Attention: Lorne Rapkin, CEO  
E-mail: [lorne@plantx.com](mailto:lorne@plantx.com)

with a copy to:

Gowling WLG (Canada) LLP  
100 King Street West  
Suite 1600  
Toronto, Ontario  
M5X 1G5

Attention: Peter Simeon  
E-mail: [peter.simeon@gowlingwlq.com](mailto:peter.simeon@gowlingwlq.com)

or at any other address as any Party may at any time advise the other by Communication given or made in accordance with this Section 11.2. Any Communication delivered to the Party to whom it is addressed will be deemed to have been given or made and received on the day it is delivered at that Party's address, provided that if that day is not a Business Day then the Communication will be deemed to have been given or made and received on the next Business Day. Any Communication sent by prepaid registered mail will be deemed to have been given or made and received on the fifth Business Day after which it is mailed. If a strike or lockout of postal employees is then in effect, or generally known to be impending, every Communication must be delivered personally or by courier or transmitted by e-mail or functionally equivalent electronic means of transmission. Any Communication transmitted by e-mail or other functionally equivalent electronic means of transmission will be deemed to have been given or made and received on the day on which it is transmitted; but if the Communication is transmitted on a day that is not a Business Day or after 4:00 p.m. (local time of the recipient), the Communication will be deemed to have been given or made and received on the next Business Day. Sending a copy of a Communication to a Party's legal counsel is for information purposes only and does not constitute delivery of that Communication to that Party. The failure to send a copy of a Communication to a Party's legal counsel does not invalidate delivery of that Communication to the Party.

### 11.3 Severability

Each provision of this Agreement is distinct and severable. If any provision of this Agreement, in whole or in part, is or becomes illegal, invalid, void, voidable or unenforceable in any jurisdiction by any court of competent jurisdiction, the illegality, invalidity or unenforceability of that provision, in whole or in part, will not affect:

- 11.3.1 the legality, validity or enforceability of the remaining provisions of this Agreement, in whole or in part; or
- 11.3.2 the legality, validity or enforceability of that provision, in whole or in part, in any other jurisdiction.

#### 11.4 **Submission to Jurisdiction**

Each of the Parties irrevocably and unconditionally submits and attorns to the non-exclusive jurisdiction of the courts of the Province of Ontario to determine all issues, whether at law or in equity, arising from this Agreement. To the extent permitted by applicable Law, each of the Parties:

- 11.4.1 irrevocably waives any objection, including any claim of inconvenient forum, that it may now or in the future have to the venue of any legal proceeding arising out of or relating to this Agreement in the courts of that Province, or that the subject matter of this Agreement may not be enforced in those courts;
- 11.4.2 irrevocably agrees not to seek, and waives any right to, judicial review by any court that may be called upon to enforce the judgment of the courts referred to in this Section 11.4, of the substantive merits of any suit, action or proceeding; and
- 11.4.3 to the extent that Party has or may acquire any immunity from the jurisdiction of any court or from any legal process, whether through service or notice, attachment before judgment, attachment in aid of execution, execution or otherwise, with respect to itself or its property, irrevocably waives that immunity in respect of its obligations under this Agreement.

#### 11.5 **Amendment and Waiver**

No amendment, discharge, restatement, supplement, termination or waiver of this Agreement or any provision of this Agreement is binding unless it is in writing and executed by the Party to be bound. No waiver of, failure to exercise or delay in exercising, any provision of this Agreement constitutes a waiver of any other provision (whether or not similar) nor does any waiver constitute a continuing waiver unless otherwise expressly provided.

#### 11.6 **Further Assurances**

Each Party will, at the requesting Party's expense, execute and deliver any further agreements and documents and provide any further assurances, undertakings and information as may be reasonably required by the requesting Party to give effect to this Agreement.

#### 11.7 **Assignment and Enurement**

Neither this Agreement nor any right or obligation under this Agreement may be assigned by a Party without the prior written consent of the other Parties. This Agreement enures to the benefit of and is binding upon the Parties and their respective Successors.

#### 11.8 **Creation and Use of Electronic Document**

This Agreement and any counterpart of it may be created, provided, received, retained and otherwise used, and will be accepted, in any digital, electronic or other intangible form.

#### 11.9 **Electronic Signatures and Delivery**

This Agreement and any counterpart of it may be:

- 11.9.1 signed by manual, digital or other electronic signatures; and

11.9.2 delivered or transmitted by any digital, electronic or other intangible means, including by e-mail or other functionally equivalent electronic means of transmission,

and that execution, delivery and transmission will be valid and legally effective to create a valid and binding agreement between the Parties.

#### 11.10 **Counterparts**

This Agreement may be signed and delivered by the Parties in counterparts, with the same effect as if each of the Parties had signed and delivered the same document, and that execution and delivery will be valid and legally effective

#### 11.11 **Costs and Expenses**

Except as otherwise specified in this Agreement, and without limiting the indemnification provisions in Article 10 (*Indemnification and Survival*), all costs and expenses (including the fees and disbursements of accountants, financial advisors, legal counsel and other professional advisors) incurred in connection with the negotiation and settlement of this Agreement, and the completion of the transactions contemplated by this Agreement, are to be paid by the Party incurring those costs and expenses.

#### 11.12 **Payment and Currency**

Any money to be advanced, paid or tendered by any Party under this Agreement must be advanced, paid or tendered by wire transfer of immediately available funds payable to the Person to whom the amount is due. Unless otherwise specified, the word "dollar" and the "\$" sign refer to Canadian currency, and all amounts to be advanced, paid, tendered or calculated under this Agreement are to be advanced, paid, tendered or calculated in Canadian currency.

#### 11.13 **Equitable Remedies**

The Parties acknowledge that the failure to comply with a covenant or obligation contained in this Agreement may give rise to irreparable injury to a Party, inadequately compensable in damages. Accordingly, a Party may seek to enforce the performance of this Agreement by injunction or specific performance upon application to a court of competent jurisdiction without proof of actual damage (and without the requirement of posting bond or other security).

#### 11.14 **No Contra Proferentem**

This Agreement has been reviewed by each Party's professional advisors, and revised during the course of negotiations between the Parties. Each Party acknowledges that this Agreement is the product of their joint efforts, that it expresses their agreement, and that, if there is any ambiguity in any of its provisions, no rule of interpretation favouring one Party over another based on authorship will apply.

#### 11.15 **Independent Legal Advice**

Each of the Parties acknowledges that it has read and understands the terms and conditions of this Agreement and acknowledges and agrees that it has had the opportunity to seek, and was not prevented or discouraged by any other Party from seeking, any independent legal advice which it considered necessary before the execution and delivery of this Agreement and that, if it did not avail itself of that

opportunity before signing this Agreement, it did so voluntarily without any undue pressure, and agrees that its failure to obtain independent legal advice will not be used by it as a defence to the enforcement of its obligations under this Agreement.

**11.16 Third Party Beneficiaries**

This Agreement is not intended to, and does not, confer any rights or remedies on any Person other than the Parties (and their respective Successors) and the Indemnified Parties. The Parties reserve their right to vary or rescind, at any time and in any way, the rights, if any, granted by or under this Agreement to any Person who is not a Party, without notice to or consent of that Person.

**THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK**

Each of the Parties has executed and delivered this Agreement as of the date noted at the beginning of this Agreement.

**VEG ESSENTIALS LLC**

Per: (Signed) Kory Zelickson  
Name: Kory Zelickson  
Title: Director

**VEJI HOLDINGS LTD.**

Per: (Signed) Kory Zelickson  
Name: Kory Zelickson  
Title: Chief Executive Officer

**PLANTX LIFESTYLE USA INC.**

Per: (Signed) Lorne Rapkin  
Name: Lorne Rapkin  
Title: Manager

**PLANTX LIFE INC.**

Per: (Signed) Lorne Rapkin  
Name: Lorne Rapkin  
Title: Chief Executive Officer

**SCHEDULE A  
TO ASSET PURCHASE AGREEMENT**

**DISCLOSURE SCHEDULE**

References in this Disclosure Schedule to “the Agreement” mean the asset purchase agreement of which this Disclosure Schedule forms a part, and references in this Disclosure Schedule to a Section or Article “of the Agreement” mean a Section or Article of the main body of this Agreement.

Each exception to the representations and warranties that is set out in this Disclosure Schedule is identified by reference to one or more specific individual Sections of the Agreement and is only effective to create an exception to each specific individual Section of the Agreement listed. Any statement in Article 4 of the Agreement that is not expressly qualified by a reference to an exception in this Disclosure Schedule will prevail, despite anything to the contrary that is disclosed in this Disclosure Schedule. The exceptions to representations and warranties set out in this Disclosure Schedule are intended only to qualify and limit the representations and warranties of the Sellers, and will not be construed to expand in any way the scope or effect of any of those representations and warranties, and will not be construed to constitute a new representation, warranty or covenant of the Sellers. The disclosure of any matter in this Disclosure Schedule will not be construed as an admission or indication that the matter is material or that the matter is necessarily required to be disclosed in order for any representation or warranty in this Agreement to be true and correct, and will not be construed as an admission of any obligation or liability to any third party. No disclosure in this Disclosure Schedule relating to any possible breach or violation of any Contract or Law will be construed as an admission or indication that any breach or violation exists or has actually occurred.

**SCHEDULE 4.14.1  
TO DISCLOSURE SCHEDULE  
INTELLECTUAL PROPERTY**

Registered Intellectual Property

None

Material Unregistered Intellectual Property Owned by Veg Essentials LLC

**1. Trademarks**

Any and all of Veg's Trademarks and corresponding Intellectual Property Rights (as defined in the Agreement), used in the ordinary course of business for the e-commerce revenue that is generated from the Domain Rights (as defined in the Agreement), including without limitation the following word and design marks:

- VEGAN ESSENTIALS



**2. Copyright**

Any and all of Veg's copyright in and to Works (as defined in the Agreement) and corresponding Intellectual Property Rights used in the ordinary course of business for the e-commerce revenue that is generated from the Domain, including without limitation copyright and corresponding Intellectual Property Rights in the following:

- Customer email list and database
- Historical marketing data from Google Analytics
- Historical marketing data from Facebook Ads Manager
- Historical product sales and performance data



- Advertising and marketing materials
- Text, photographs, graphics, images, illustrations, audio, video and software posted on the website hosted on the Domain
- Website hosted on the Domain
- Text, photographs, graphics, images, illustrations, audio, video and software posted on the following social media sites: <https://www.facebook.com/VeganEssentials>; <https://twitter.com/VeganEssentials>; and <https://www.instagram.com/veganessentials/>



- Copyright in and

### **3. Lists, Analytical Information, Data, Technical Expertise, Trade Secrets, Confidential Information and Know-How**

Any and all of Veg's vendor lists, supplier lists, customer lists, mailing lists, all analytical information including ad word, metatag, keyword and historical marketing data, technical expertise, research data, website files, trade secrets and all other confidential information and know-how and corresponding Intellectual Property Rights used in the ordinary course of business for the e-commerce revenue that is generated from the Domain, including without limitation the following:

- Customer email list and database
- Historical marketing data from Google Analytics
- Historical marketing data from Facebook Ads Manager
- Historical product sales and performance data

### **4. Domain Names**

The Domain, all associated web addresses, URLs, websites and web pages, and all content and data thereon or relating thereto, whether or not copyrights, and all goodwill connected with the use of the foregoing, and corresponding Intellectual Property Rights used in the ordinary course of business for the e-commerce revenue that is generated from the Domain.

### **5. Social Media Accounts and Usernames**

Any and all of Veg's social media accounts and usernames (including "handles"), all associated web addresses, URLs, social media sites and pages, and all content and data thereon or relating thereto, whether or not copyrights, and all goodwill connected with the use of the foregoing, and corresponding Intellectual Property Rights used in the ordinary course of business for the e-commerce revenue that is generated from the Domain, including without limitation the following:

- <https://www.facebook.com/VeganEssentials>
- <https://twitter.com/VeganEssentials>
- <https://www.instagram.com/veganessentials/>

Material Unregistered Intellectual Property Owned by Veji

**1. Copyright**

Any and all of Veji's copyright in and to Works and corresponding Intellectual Property Rights related to Veji Customer Data Rights (as defined in the Agreement), including without limitation copyright and corresponding Intellectual Property Rights in the following:

Customer email list and database  
Historical marketing data from google analytics  
Historical Marketing Data from Facebook Ads Manager  
Historical Product Sales and Performance Data

**2. Lists, Analytical Information, Data, Technical Expertise, Trade Secrets, Confidential Information and Know-How**

Any and all Veji Customer Data and corresponding Intellectual Property Rights related to Veji Customer Data, including without the following:

- Customer email list and database
- Historical marketing data from Google Analytics
- Historical marketing data from Facebook Ads Manager
- Historical product sales and performance data

Material License Agreements and Other Material IP Agreements

None.

**SCHEDULE 4.19  
TO DISCLOSURE SCHEDULE  
INSURANCE**

**[Redacted]**

**EXHIBIT 3.3  
TO ASSET PURCHASE AGREEMENT  
ALLOCATION OF PURCHASE PRICE**

**[Redacted]**

**EXHIBIT 7.1.5.4  
TO ASSET PURCHASE AGREEMENT**

**INTELLECTUAL PROPERTY ASSIGNMENT**

This IP assignment agreement (the “**Assignment**”) is made effective as of \_\_\_\_\_, 2022 between **Veg Essentials LLC** and **Veji Holdings Ltd.** (collectively, the “**Assignors**” and each an “**Assignor**”) and **PLANTX LIFESTYLE USA INC.** (the “**Assignee**”) in connection with the purchase of i) Veg Essentials LLC’s U.S.-based domain, [www.veganessentials.com](http://www.veganessentials.com) (“the **Domain**”) and all rights, assets, privileges, benefits and property related thereto; and ii) Veji Holdings Ltd.’s vendor, supplier and customer lists, mailing lists, and all analytical information including ad word, metatag, keyword and historical marketing data under the domain names [www.shopveji.com](http://www.shopveji.com) and [www.ca.shopveji.com](http://www.ca.shopveji.com) including intellectual property rights related thereto (the “**Veji Customer Data**”) (the “**Transaction**”).

**WHEREAS** Assignors and Assignee entered into an Asset Purchase Agreement (the “**Agreement**”) dated September 18, 2022 in relation to the Transaction and all other underlying **Intellectual Property** and **Intellectual Property Rights** (as therein defined) relating to Transaction (the “**Purchased Intellectual Property**”, as therein defined, which includes but is not limited to the intellectual property set in Schedule “A”, which is identical to Schedule 4.14.1 of Disclosure Schedule to the Agreement).

**NOW THEREFORE** for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. **Assignment of Purchased Intellectual Property:** Assignors hereby irrevocably and unconditionally sell, assign, transfers and quitclaim to Assignee all of Assignors’ right, title and interest in and to the Purchased Intellectual Property and in and to all materials, results and proceeds delivered pursuant to the Agreement in connection with the Transaction and the Agreement (collectively, the “**Rights**”).
2. **Transfer of Domain Name:** No later than five (5) business days after the full execution of the Assignment, Veg Essentials LLC shall unlock the Domain, and provide the authorization code for this Domain to the Assignee and take all steps to finalize the transfer. Thereafter, Veg Essentials LLC shall confirm the transfer of the Domain. Veg Essentials LLC and Assignee shall cooperate in good faith to complete the transfer of the Domain.
3. **Cooperation:** The Assignors agree, at the request of the Assignee and without charge or cost to the Assignee, promptly to perform any reasonable acts necessary to preserve and protect and to vest in the Assignee, ownership and title to the Purchased Intellectual Property, including without limitation, to: (i) execute and have executed, and cause affiliates to execute, any and all other documents of any kind whatsoever which may be reasonably required to carry out the terms and intent of this Assignment; and (ii) to fully cooperate with the Assignee, as reasonably required, to enable the Assignee to duly record an instrument of assignment or any further documents and information in connection with and to demonstrate Assignors’ assignment and consent to use, register and/or attempt to register the Purchased Intellectual Property by the Assignee and its successors and assigns, to be submitted to any intellectual property office in any jurisdiction including the Canadian Intellectual Property Office (“**CIPO**”) and the United States Patent and Trademark Office (“**USPTO**”).
4. **Representations and Warranties of Assignors:** Assignors jointly and severally represent and warrant to the Assignee that:

- (a) each of the Assignors own and control all rights relating to the Purchased Intellectual Property and have the full right, power and authority to enter into and perform this Assignment;
- (b) all of the Purchased Intellectual Property is valid and enforceable and all registrations thereof are subsisting and in full force and effect;
- (c) all necessary legal steps have been taken by the Assignors to preserve its rights to the Purchased Intellectual Property;
- (d) they have adequate, valid and enforceable rights to use all the Purchased Intellectual Property, free and clear of all Encumbrances;
- (e) they are not bound by any outstanding judgment, injunction, order or decree restricting the use of the Purchased Intellectual Property, or restricting the licensing thereof to any person or entity;
- (f) the use of any Purchased Intellectual Property owned by third parties is valid, and Assignors are not in default or breach of any licence agreement relating to that Purchased Intellectual Property, and there exists no state of facts that, after notice or lapse of time or both, would constitute a default or breach under the Purchased Intellectual Property;
- (g) the conduct by Assignors in the ownership and use of the Purchased Intellectual Property including the sale and distribution of goods and the provision of services thereunder does not infringe the intellectual property, moral rights, or other rights of any person;
- (h) their current use of the Purchased Intellectual Property has not and does not infringe, violate, dilute or misappropriate the Intellectual Property, moral rights, or other rights of any person or entity and there are no claims pending or threatened by any person or entity with respect to the ownership, validity, enforceability, effectiveness or use of the Purchased Intellectual Property;
- (i) no person or entity is infringing, misappropriating, diluting or otherwise violating any of the Purchased Intellectual Property, and neither the Assignors nor their affiliates have made or asserted any claim, demand or notice against any person or entity alleging any such infringement, misappropriation, dilution or other violation;
- (j) except for the consent of the domain name registrar, no consents are required for the Assignors to sell and assign the Purchased Intellectual Property to the Assignee;
- (k) the Domain included has been and continues to be properly registered with Veg Essentials LLC as the registrant pursuant to a valid domain name registration agreement, and Veg Essentials LLC is the sole and exclusive registrant and has the unrestricted right and capacity to transfer the Domain to the Assignee;
- (l) Veg Essentials LLC is not in breach of any such domain name registration agreements and all fees in respect of the Domain has been paid in a timely fashion and is up-to-date;
- (m) they have complied with all material terms of use, terms of service, and other contracts and all associated policies and guidelines relating to its use of any domain names, social media platforms, sites, or services in association with the Purchased Intellectual Property;

- (n) they have not assigned, hypothecated, encumbered or otherwise transferred (or entered into an agreement to do any of the foregoing) any rights in the Rights to any other party.
  - (o) to the extent that Assignors may be entitled, now or in the future, to any so-called “moral rights of authors” or analogous rights, or otherwise, Assignors hereby waive and relinquishes all such rights in and to the Purchased Intellectual Property in favour of Assignee and its assignees and licenses to the fullest extent permitted by law; and
  - (p) all officers, directors, employees or contractors of the Assignors, who may have had an interest at any time in the Purchased Intellectual Property, have fully assigned or transferred all of their rights in the Rights to the Assignors prior to the date of this Assignment. To the extent any of the aforementioned people may be entitled, now or in the future, to any so-called “moral rights of authors” or analogous rights, or otherwise, they represent and confirm they have waived and relinquish all such rights in and to the Rights in favour of Assignee and its assignees and licenses to the fullest extent permitted by law.
5. **Covenants of Assignors:** Assignors hereby covenant and agree not to make any claim or bring any suit, action or arbitration or other proceeding which will or might interfere with or derogate from Assignee’s rights in the Rights, it being expressly understood and agreed that Assignor shall not have or be deemed to have any lien, charge or other encumbrance upon the Rights, and that neither the breach nor alleged breach of this Assignment by Assignee, nor any other act, omission or event of any kind, shall terminate or otherwise adversely affect Assignee’s ownership of the Rights or any rights granted under this Assignment.
  6. **Indemnification:** Subject to the Agreement, Assignors shall indemnify and save harmless Assignee from and against all losses, damages and expenses, including reasonable legal fees, resulting from any claim, action or proceeding arising from a breach of any of the representations and warranties made by Assignors herein.
  7. **Binding on Successors:** This Assignment shall bind and inure to the benefit of the respective parties hereto, their heirs, executors, administrators, successors and assigns forever. Assignee may assign this Agreement, in whole or in part, in any manner to any person, corporation or entity that Assignee shall determine.
  8. **No Joint Venture or Partnership:** This Assignment shall not constitute a joint venture or a partnership of any kind, between the parties hereto.
  9. **Governing Law:** Each party hereto agrees to execute and/or deliver such further instruments as may be This Agreement is governed by, and is to be construed and interpreted in accordance with, the Laws of the Province of British Columbia and the Laws of Canada applicable in that Province.
  10. **Severability:** If any provision in this Assignment is held by a court of competent jurisdiction to be invalid or unenforceable, it shall be severed from this Assignment and the remaining provisions shall remain in full force without being impaired or invalidated in any way.
  11. **Execution of Agreement:** This Agreement may be executed in facsimile or electronic counterparts, and such counterparts together shall constitute a single instrument. Any dispute hereunder shall be resolved by private individual arbitration conducted before a single arbitrator at Toronto, Ontario in accordance with the *Arbitration Act* of Ontario.

**IN WITNESS WHEREOF**, the parties hereto have signed this Assignment as of the date first written above.

**VEG ESSENTIALS LLC**

Per: \_\_\_\_\_  
Name: Kory Zelickson  
Title: Director

**VEJI HOLDINGS LTD.**

Per: \_\_\_\_\_  
Name: Kory Zelickson  
Title: Chief Executive Officer

**PLANTX LIFESTYLE USA INC.**

Per: \_\_\_\_\_  
Name: Lorne Rapkin  
Title: Manager



**SCHEDULE B TO EXHIBIT 7.1.5.4  
PURCHASED INTELLECTUAL PROPERTY**

Registered Intellectual Property

None

Material Unregistered Intellectual Property Owned by Veg Essentials LLC

**1. Trademarks**

Any and all of Veg's Trademarks and corresponding Intellectual Property Rights (as defined in the Agreement), used in the ordinary course of business for the e-commerce revenue that is generated from the Domain Rights (as defined in the Agreement), including without limitation the following word and design marks:

- VEGAN ESSENTIALS



**2. Copyright**

Any and all of Veg's copyright in and to Works (as defined in the Agreement) and corresponding Intellectual Property Rights used in the ordinary course of business for the e-commerce revenue that is generated from the Domain, including without limitation copyright and corresponding Intellectual Property Rights in the following:

- Customer email list and database
- Historical marketing data from Google Analytics
- Historical marketing data from Facebook Ads Manager
- Historical product sales and performance data
- Advertising and marketing materials

- Text, photographs, graphics, images, illustrations, audio, video and software posted on the website hosted on the Domain
- Website hosted on the Domain
- Text, photographs, graphics, images, illustrations, audio, video and software posted on the following social media sites: <https://www.facebook.com/VeganEssentials>; <https://twitter.com/VeganEssentials>; and <https://www.instagram.com/veganessentials/>



- Copyright in and

### **3. Lists, Analytical Information, Data, Technical Expertise, Trade Secrets, Confidential Information and Know-How**

Any and all of Veg's vendor lists, supplier lists, customer lists, mailing lists, all analytical information including ad word, metatag, keyword and historical marketing data, technical expertise, research data, website files, trade secrets and all other confidential information and know-how and corresponding Intellectual Property Rights used in the ordinary course of business for the e-commerce revenue that is generated from the Domain, including without limitation the following:

- Customer email list and database
- Historical marketing data from Google Analytics
- Historical marketing data from Facebook Ads Manager
- Historical product sales and performance data

### **4. Domain Names**

The Domain, all associated web addresses, URLs, websites and web pages, and all content and data thereon or relating thereto, whether or not copyrights, and all goodwill connected with the use of the foregoing, and corresponding Intellectual Property Rights used in the ordinary course of business for the e-commerce revenue that is generated from the Domain.

### **5. Social Media Accounts and Usernames**

Any and all of Veg's social media accounts and usernames (including "handles"), all associated web addresses, URLs, social media sites and pages, and all content and data thereon or relating thereto, whether or not copyrights, and all goodwill connected with the use of the foregoing, and corresponding Intellectual Property Rights used in the ordinary course of business for the e-commerce revenue that is generated from the Domain, including without limitation the following:

- <https://www.facebook.com/VeganEssentials>
- <https://twitter.com/VeganEssentials>
- <https://www.instagram.com/veganessentials/>

Material Unregistered Intellectual Property Owned by Veji

**1. Copyright**

Any and all of Veji's copyright in and to Works and corresponding Intellectual Property Rights related to Veji Customer Data Rights (as defined in the Agreement), including without limitation copyright and corresponding Intellectual Property Rights in the following:

Customer email list and database  
Historical marketing data from google analytics  
Historical Marketing Data from Facebook Ads Manager  
Historical Product Sales and Performance Data

**2. Lists, Analytical Information, Data, Technical Expertise, Trade Secrets, Confidential Information and Know-How**

Any and all Veji Customer Data and corresponding Intellectual Property Rights related to Veji Customer Data, including without the following:

- Customer email list and database
- Historical marketing data from Google Analytics
- Historical marketing data from Facebook Ads Manager
- Historical product sales and performance data

**Material License Agreements and Other Material IP Agreements**

None.

**EXHIBIT 7.1.5.11  
TO ASSET PURCHASE AGREEMENT**

**FORM OF NON-DISCLOSURE, NON-COMPETITION AND NON-SOLICITATION AGREEMENT**

This Agreement is dated this \_\_\_\_ day of \_\_\_\_\_, 2022.

**BETWEEN:**

**PLANTX LIFE INC.**

("PlantX")

– and –

\_\_\_\_\_  
(the "Covenantor")

**CONTEXT**

1. Under the terms of an Asset Purchase Agreement, between the PlantX, PlantX Lifestyle USA Inc. (the "**Buyer**") Veg Essentials LLC ("**Veg**") and Veji Holdings Ltd. ("**Veji**"), dated September 18, 2022 (the "**Purchase Agreement**"), the Buyer will acquire certain rights, title and interests of the Veg and Veji.
2. [The Covenantor is an officer, director and/or 10% beneficial shareholder of the Seller.]
3. It is a condition precedent to the completion of the transactions contemplated by the Purchase Agreement that the Veji, Veg and each of Veg and Veji's officers and directors and each shareholder of Veji holding 10% or more of the outstanding voting securities of Veji execute this Non-Disclosure, Non-Competition and Non-Solicitation Agreement (the "**Agreement**") in order for the goodwill of the Seller's business to be transferred to the Buyer and PlantX as intended by the PlantX, the Buyer, Veg and Veji (collectively, the "**Parties**").

**NOW THEREFORE**, the Parties agree as follows:

**DEFINITIONS**

4. In this Agreement, in addition to the terms defined elsewhere in this Agreement, the following terms have the following meanings:
  - (a) "**Agreement**" means this Non-Disclosure, Non-Competition and Non-Solicitation Agreement as it may be confirmed, amended, modified, supplemented or restated by written agreement between the Parties.
  - (b) "**Business**" means the business carried on by the Buyer consisting of the business to consumer sale and distribution of vegan and plant-based food, beverage, health, wellness and beauty products (which for greater certainty and without limiting the

foregoing, includes any such products intended for use by pets) and house plants and accessories to retail consumers;

- (c) **“Closing Date”** means the closing date of the proposed transaction contemplated by the Purchase Agreement, which the Parties intend to occur on or about September 29, 2022 or such other date as the Parties may agree.
- (d) **“Confidential Information”** means any information relating to the Seller or its respective business, including information relating to identifiable individuals (**“Personal Information”**), whether communicated in written form, orally, visually, demonstratively, technically or by any other electronic form or other media, or committed to memory, but excluding information, other than Personal Information which:
  - (i) was available to or known by the public prior to the Letter of Intent between PlantX and Veji, dated August 26, 2022;
  - (ii) was or is obtained from a source other the Seller or any person bound by a duty of confidentiality to the Seller, the Seller’s shareholders; or
  - (iii) is, or becomes, available to or known by the public other than because of improper disclosure by the Buyer or any of its representatives, advisors or lenders.
- (e) **“Customer”** means any person or business entity who is currently a customer or client of the Buyer or has been a customer or client of the Buyer at any time during the two (2) year period before the date of this Agreement.
- (f) **“Domain”** is defined in Section 4(k)(i)
- (g) **“Employee”** means any employee or contractor employed, engaged or retained by the Buyer in connection with the Business on a full-time or on a part-time basis, including any who are on medical or long-term disability leave, or other statutory or authorized leave or absence.
- (h) **“Intellectual Property”** means any and all of the following in any jurisdiction throughout the world:
  - (i) trademarks, design marks, logos, service marks, certification marks, trade dress, trade indicia, distinguishing guises, slogans, meta-tags, keywords, ad words and other characters, brand elements, other distinguishing features used in association with goods and services and any additional branding usage, whether or not registered or the subject of an application for registration and whether or not registrable, together with the goodwill connected with the use of the foregoing (**“Trademarks”**);
  - (ii) software in source code or object code form, documentation, literary works, artistic works, pictorial works, graphic works, musical works, dramatic works, audio-visual works, performances, sound recordings and signals, including their content, and any compilations of any of them, whether or not registered or the subject of an application for registration, or capable of being registered (**“Works”**);

- (iii) industrial designs and all variants of industrial designs, whether or not registered or the subject of an application for registration and whether or not registrable (“**Designs**”)
  - (iv) vendor lists, supplier lists, customer lists, mailing lists, all analytical information including ad word, metatag, keyword and historical marketing data, technical expertise, research data, website files, trade secrets and all other confidential information and know-how;
  - (v) inventions, arts, processes, machines, articles of manufacture, compositions of matter, business methods, formula, developments and improvements, whether or not patented or the subject of an application for patent and whether or not patentable methods and processes for making any of them, and related documentation (whether in written or electronic form) and know-how (“**Inventions**”); and
  - (vi) domain names, whether registered primary domain names or secondary or other higher level domain names (“**Domain Names**”) and social media account or usernames (including “handles”), whether or not trademarks, all associated web addresses, URLs, websites and web pages, social media sites and pages, and all content and data thereon or relating thereto, whether or not copyrights, and all goodwill connected with the use of the foregoing.
  - (vii) internet domain name registrations; and
  - (viii) any other intellectual property and related proprietary rights, interests and protections.
- (i) “**Intellectual Property Rights**” means:
- (i) any common law principle or statutory provision which may provide a right in Intellectual Property, including all:
    - (A) common law rights, registrations, pending applications for registration and rights to file applications for the Trademarks, including rights of priority;
    - (B) patents, pending patent applications and rights to file applications for Inventions, including all rights of priority and rights in continuations, continuations-in-part, divisions, reissues, renewals, re-examinations, exclusions, and other derivative applications and patents;
    - (C) copyrights in Works, registrations, pending applications for registration and rights to file applications for Works and all moral rights and benefits of waivers of moral rights in Works;
    - (D) registrations, pending applications for registration and rights to file applications for registration of Domain Names and all other common law and statutory rights in Domain Names; and
    - (E) industrial design rights, design patents, design registrations, pending patent and design applications and rights to file applications for Designs, including all rights of priority and rights in continuations, continuations-in-

part, divisions, re-examinations, reissues and other derivative applications.

- (ii) all rights in licenses, sub-licenses, franchise agreements, waivers and other contractual rights in any of the items listed in Section 4(h)(i); and
  - (iii) all rights to enforce the rights and obtain remedies for a violation of any of the rights listed in Sections 4(h)(i) and 4(h)(ii).
- (j) **“Person”** will be broadly interpreted and includes:
- (i) a natural person, whether acting in his or her own capacity, or in his or her capacity as executor, administrator, estate trustee, trustee or personal or legal representative, and the heirs, executors, administrators, estate trustees, trustees or other personal or legal representatives of a natural person;
  - (ii) a corporation or a company of any kind, a partnership of any kind, a sole proprietorship, a trust, a joint venture, an association, an unincorporated association, an unincorporated syndicate, an unincorporated organization or any other association, organization or entity of any kind; and
  - (iii) a governmental authority.
- (k) **“Purchased Intellectual Property”** includes:
- (i) All Intellectual Property and corresponding Intellectual Property Rights and any other important intellectual property not herein defined that is used in the ordinary course of business for the e-commerce revenue that is generated from the online domain [www.veganessentials.com](http://www.veganessentials.com) (the **“Domain”**), and for greater certainty, without limiting the foregoing, includes the Intellectual Property set forth in Schedule “A” to the Agreement; and
  - (ii) All Intellectual Property and corresponding Intellectual Property Rights related to all vendor, supplier and customer lists, mailing lists, and all analytical information including [ad word, metatag, keyword] and historical marketing data of Veji collected under the Domain Names [www.shopveji.com](http://www.shopveji.com) and [www.ca.shopveji.com](http://www.ca.shopveji.com) related thereto (the **“Veji Customer Data”**), and for greater certainty, without limiting the foregoing, includes the Intellectual Property set forth in Schedule “A” to the Agreement
- (l) **“Veji Customer Data”** is defined in Section 4(k)(ii)
- (m) **“Territory”** means the countries where the Buyer conducts the Business, being Canada, the United States of America and the United Kingdom of Great Britain and Northern Ireland.

## NON-DISCLOSURE

5. The Covenantor acknowledges and agrees that, in the course of its association with Veg and Veji, the Covenantor has had access to, and has acquired, Confidential Information.

6. The Covenantor further acknowledges and agrees that PlantX have all rights to use and possession of, title to and ownership of the Confidential Information including Intellectual Property Rights and as such the Covenantor will deliver all of the Confidential Information in written, electronic form or other media promptly to PlantX upon the completion of the transactions contemplated by the Purchase Agreement.
7. Accordingly, the Covenantor acknowledges and agrees to hold in strict confidence and not disclose or use any Confidential Information, for any purpose except as provided in Sections 7 and 8. The Covenantor will take such steps as may be required to protect and ensure that the Confidential Information remains strictly confidential.
8. The Covenantor acknowledges and agrees not to directly or indirectly:
  - (a) misappropriate, disclose, transfer, assign, disseminate or otherwise communicate or make available (orally, in writing or otherwise) to any Person any Confidential Information; or
  - (b) use or reproduce any such Confidential Information for their own benefit or purposes or for the benefit or purposes of any Person.
9. If the Covenantor is required by any applicable law or by any governmental authority to disclose any Confidential Information, the Covenantor will provide PlantX with prompt written notice of that requirement, so that PlantX may contest the disclosure of the Confidential Information and seek an appropriate protective order or other appropriate remedy.
10. If, in the absence of a protective order or other appropriate remedy, the Covenantor required by any applicable law or by any governmental authority to disclose any Confidential Information or would be liable for contempt or to suffer other censure or penalty, then the Covenantor may, without liability under this Agreement, disclose that portion of the Confidential Information, but only that portion, that it is legally required to disclose.
11. The Covenantor will notify PlantX immediately upon discovery of any unauthorized or unlawful disclosure, divulgence, communication or use of any Confidential Information.
12. The obligations contained in this Non-Disclosure covenant will be perpetual.

#### **NON-COMPETITION**

13. The Covenantor agrees that it will not, for a period of two (2) years from the Closing Date, in any capacity or manner, whether directly or indirectly, individually or in partnership or otherwise jointly or in concert with any other Person:
  - (a) advise, be engaged or interested in, be connected or associated with or carry on,
  - (b) lend money to, provide financial assistance to, or guarantee the debts or obligations of, or
  - (c) permit such Covenantor name or any part of that name to be used or employed by any Person in connection with,any activity, business or undertaking that competes with all or part of the Business within the Territory as carried on by the Buyer. Without limiting the effect of the foregoing, competing with



the Business includes directly or indirectly selling or distributing vegan and plant-based food, beverage, health, wellness and beauty products (which for greater certainty and without limiting the foregoing, includes any such products intended for use by pets) and house plants and accessories to consumers in Canada, the United States of America and the United Kingdom of Great Britain and Northern Ireland;

14. The Covenantor agrees that it will not, for a period that is perpetual from the Closing Date, in any capacity or manner, whether directly or indirectly, individually or in partnership or otherwise jointly or in concert with any other Person:
  - (a) utilize the Domain,
  - (b) use, grant a right to use, encourage the use of, license or otherwise exploit, register, apply to register, or otherwise take any steps to register rights in the Purchased Intellectual Property,
  - (c) continue to use, link or host a website or cause any other third party, whether directly or indirectly, to use, link or host a website under domain name [www.shopveji.com](http://www.shopveji.com) or [www.shopveji.com](http://www.shopveji.com).
15. Notwithstanding the foregoing, nothing herein shall prevent the Covenantor from carrying on any activity, business or undertaking that involves consumer product good manufacturing of vegan or plant-based goods in the Territory where the principal feature, value-add or marketing does not make representations that such consumer product goods are vegan or plant-based.
16. Nothing herein shall prevent the Covenantor from owning, beneficially or otherwise, for investment purposes only, up to 2% of the issued shares of any corporation whose shares are listed on a recognized stock exchange or traded in the over-the-counter market in Canada or the United States of America, and which carries on a business which is the same as or substantially similar to, or which competes with or would compete with the Business carried on by the Buyer.

## **NON-SOLICITATION**

17. The Covenantor agrees with that it will not, for a period of two (2) years from the Closing Date, in any capacity or manner, whether directly or indirectly, individually or in partnership or otherwise jointly or in concert with any other Person:
  - (a) solicit any Customer, vendors, suppliers of PlantX or the Buyer, or any other Persons indicated on the customer lists and mailing lists associated with the target assets contemplated by the Purchase Agreement, when such solicitation is with respect to business that is competitive with the Business as carried on by the Buyer in the Territory;
  - (b) induce or attempt to induce any Customer to reduce or curtail its business with PlantX or the Buyer or to terminate its relationship with PlantX or the Buyer;
  - (c) provide any products or services in the Territory to any Customer where such products or services are the same as, or substantially similar to, or competitive with, the products or services offered by the Business of PlantX and the Buyer; or
  - (d) hire or attempt to hire or otherwise solicit any Employees of the Buyer for employment in or services to any business or undertaking with which it is associated.

## **NON-INFRINGEMENT OF INTELLECTUAL PROPERTY**

18. The Covenantor represents and agrees not to, whether directly or indirectly:
- (a) use, grant a right to use, encourage the use of, license or otherwise exploit, or
  - (b) register, apply to register, or otherwise take any steps to register rights in, the Purchased Intellectual Property.
19. The obligations and covenants contained in Section 17 will be perpetual.

## **COVENANTS ARE REASONABLE**

20. The Covenantor acknowledges and agrees that:
- (a) without the covenants included in this Agreement, PlantX and the Buyer would not have entered into the Purchase Agreement;
  - (b) the covenants included in this Agreement are reasonable in the circumstances and are necessary to protect the economic positions of PlantX and the Buyer;
  - (c) a breach of any of this Agreement would cause serious and irreparable harm to PlantX and the Buyer which could not be compensated adequately by monetary damages, and that the Buyer may enforce this Agreement by injunction or specific performance upon application to a court of competent jurisdiction without proof of actual damage, and despite that damages may be readily quantifiable, the Covenantor will not plead, sufficiency of damages as a defence in the proceeding for injunctive relief; and
  - (d) the remedies provided by this Agreement are in addition to, and not a substitute for, any other remedies for breach to which PlantX and the Buyer would be entitled.

## **GOVERNING LAW**

21. This Agreement is governed by, and is to be construed and interpreted in accordance with, the laws of the Province of Ontario and the laws of Canada applicable in that Province.

## **JURISDICTION**

22. Each of the Parties irrevocably and unconditionally submit and attorn to the exclusive jurisdiction of the courts of the Province of British Columbia to determine all issues, whether at law or in equity, arising from this Agreement.

## **ENTIRE AGREEMENT**

23. This Agreement, together with the Purchase Agreement, constitutes the entire agreement between the Parties pertaining to the subject matter of this Agreement and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Parties, and there are no representations, warranties or other agreements between the Parties, express or implied, in connection with the subject matter of this Agreement except as specifically set out in this Agreement or in the Purchase Agreement. No Party has been induced to enter into this Agreement in reliance on, and there will be no liability assessed, either in tort or contract, with respect to any warranty, representation, opinion, advice or assertion of fact, except to the

extent it has been reduced to writing and included as a term in this Agreement or in the Purchase Agreement.

**NOTICES**

24. All notices in connection with this Agreement shall be duly given upon receipt of such notice or communication at the address, email address, facsimile number below or at any other address, email address or facsimile number communicated in writing from one Party hereto to the other in accordance as follows:

(a) To the PlantX and the Buyer:

550 Burrard Street  
Suite 2300  
Vancouver, British Columbia  
V6C 2B5  
Attention: Lorne Rapkin  
Email: [Redacted]

(b) To the Covenantor:

◆  
◆  
◆  
◆

**SEVERABILITY**

25. If any provision or part thereof, including individual words or phrases, contained in this Agreement, to any extent and for any reason is declared to be void, voidable, invalid, illegal, ineffective, frustrated or unenforceable by any court of competent jurisdiction, the remainder of the provision and this Agreement shall not be affected thereby, and each provision of this Agreement or part thereof shall be separately valid and enforceable to the fullest extent permitted by law. If such a provision may be made enforceable or effective by imposing limitations, particularly in respect of its scope in terms of time or territory, such limitations shall be imposed and made so as to render such provision enforceable and effective to the fullest extent permissible by law.

**AMENDMENT AND WAIVER**

26. No amendment, discharge, modification, restatement, supplement, termination or waiver of this Agreement or any Section of this Agreement is binding unless it is in writing and executed by the Party to be bound. No waiver of, failure to exercise or delay in exercising, any Section of this Agreement constitutes a waiver of any other Section (whether or not similar) nor does any waiver constitute a continuing waiver unless otherwise expressly provided.

**COUNTERPARTS AND ELECTRONIC DELIVERY**

27. This Agreement may be executed and delivered by the Parties in one or more counterparts, each of which will be an original, and each of which may be delivered by facsimile, e-mail or other functionally equivalent electronic means of transmission, and those counterparts will together constitute one and the same instrument.

**INDEPENDENT LEGAL ADVICE**

28. Each of the Parties acknowledges that they have read and understood the terms and conditions of this Agreement and acknowledge and agree that they have had the opportunity to seek, and were not prevented or discouraged by any other Party to this Agreement from seeking, any independent legal advice which they considered necessary before the execution and delivery of this Agreement and that, if they did not avail themselves of that opportunity before signing this Agreement, they did so voluntarily without any undue pressure, and agrees that their failure to obtain independent legal advice will not be used by them as a defence to the enforcement of their obligations under this Agreement.

Each of the Parties has executed and delivered this Agreement as of the date noted at the beginning of the Agreement.

**PLANTX LIFE INC.**

Per: \_\_\_\_\_  
Name: Lorne Rapkin  
Title: CEO

\_\_\_\_\_  
**COVENANTOR**

**SCHEDULE B TO EXHIBIT 7.1.5.11  
PURCHASED INTELLECTUAL PROPERTY**

[See Schedule B to Exhibit 7.1.5.4]