

HEMP FARM LEASE AGREEMENT

THIS LEASE made this 1st day of May, 2020

BETWEEN:

WOODSTOCK BIOMED INC.

(the "Landlord")

- and -

MEDICAL SAINTS LTD.

(the "Tenant")

IN CONSIDERATION of the rents, covenants and agreements contained in this Lease, and in the spirit of mutual understanding and security, the parties to this agreement (this "Lease") agree as follows:

1. PREMISES

1.1 The Landlord hereby leases to the Tenant the property at 770 Foss Road, Pelham, Ontario (the "Premises") and more fully described in Schedules "A" and "B" attached hereto.

2. TERM OF THE LEASE

2.1 This Lease will be in force for a term of 3 (three) years beginning on May 1, 2020 (the "Commencement Date") and ending on April 30, 2023 (the "Termination Date") unless earlier terminated in accordance with the provisions of this Lease (the "Term").

3. RENT

3.1 Definitions

In this Lease, "**Gross Revenue**" means the sum of the sales prices of all sales of goods and services from all business conducted on or originating at the Premises, whether such sales are made or services performed at the Premises or elsewhere and including, without limitation, orders placed on the internet or by telephone and filled from the Premises. Without limiting the generality of the foregoing, Gross Revenue shall include:

- (a) the full amount of the actual sales prices for all sales and rentals of goods and services;
- (b) the full amount of the sales prices for all sales and rentals of goods and services in respect of which orders are taken at or result from enquiries made at the Premises, including orders by mail, telephone, telecommunication or other means;
- (c) all service, finance and credit charges and interest;
- (d) all revenues and the value of all consideration which would, in the normal course of business and in accordance with generally accepted accounting practice, be attributable to the conduct of business at the Premises;
- (e) all amounts received by Tenant in respect of claims for loss of or damage to stock-in-trade and all amounts received under insurance policies in respect of loss of business, sales or profits other than amounts for losses or damages arising from an occurrence in respect of

which Landlord is entitled to receive from its insurers compensation for loss of Percentage Rent (as defined herein) arising from the same occurrence; and

- (f) all deposits received and not refunded, whether or not a sale is completed.

All of the foregoing shall be included in Gross Revenue whether paid for or evidenced by cash, credit, charge, cheque, exchange or otherwise, all without deduction for uncollected or uncollectible accounts or any costs or charges incurred in order to collect the same. Any sale made on instalments or credit shall be treated as a sale for the full price and included in Gross Revenue at the time when such sale is made, irrespective of whether or when payment is received.

There shall be deducted from Gross Revenue cash or credit refunds, to the extent of such refunds, provided that the sales price was previously included in Gross Revenue, and Gross Revenue shall not include:

- (i) any sales tax or other retail tax imposed by any governmental authority based upon the sales price provided that and to the extent that the amount of such tax is separately charged, collected from customers and actually paid directly to the taxing authority;
- (ii) the costs of goods sold and any operating expenses associated with the Tenant's cultivation of Hemp on the Premises;
- (iii) sales prices of goods or services to the extent that payment of Percentage Rent based on the same is prohibited by law;
- (iv) reasonable charges by Tenant to its customers in reimbursement of Tenant's costs of shipping merchandise at no profit and as a mere incidental part of its business operations in the Premises; or
- (v) all allowances made on merchandise claimed to be defective or unsatisfactory, provided that the sale price of such merchandise shall have been previously included in Gross Revenue;

3.2 Percentage Rent

The Tenant shall pay to Landlord a percentage rent ("**Percentage Rent**") equal to fifty percent (50%) of Gross Revenue. The Tenant shall not be required to pay any Percentage Rent until the capital contribution of \$654,584 (the "**Contribution**"), made by the Tenant towards redevelopment of the premises is repaid in full. The Tenant must apply all Gross Revenue towards repayment of the Contribution until it is repaid. Upon repayment of the Contribution, installments of Percentage Rent shall be due and payable monthly, fifteen (15) days after the last day of each month of each lease year ("**Year**").

If the aggregate of the monthly instalments paid in respect of Percentage Rent for any Year is less than the Percentage Rent payable for such Year as shown by the statement to be delivered by Tenant to Landlord pursuant to Section 3.3 below, Tenant shall, contemporaneously with the delivery of such statement, pay to Landlord the amount of such deficiency. If the aggregate of such monthly instalments paid in respect of Percentage Rent exceeds the Percentage Rent payable for such Year as shown by such statement, and if Tenant is not in default under this Lease, Landlord, within thirty (30) days after the receipt by Landlord of such statement, shall refund to Tenant the amount of such excess or shall notify Tenant that Landlord shall apply such excess on account of the next succeeding payments of Percentage Rent due under this Lease, or on account of any other obligation or default of Tenant under this Lease.

3.3 Monthly Reports

On or before the tenth (10) day of each calendar month during the Term (excepting only the first month of the Term) and on or before the tenth (10) day of the month immediately following expiration or earlier termination of the Term, Tenant shall deliver to Landlord a statement in writing certified by Tenant or, if Tenant is a corporation, by a senior officer of Tenant showing in reasonable detail in such form as approved or required by Landlord from time to time all Gross Revenue for the immediately preceding calendar month, all Gross Revenue for each of the preceding months of the then current Year, all payments theretofore made by Tenant to Landlord on account of Percentage Rent for such Year to date, and the calculation of the payment on account of Percentage Rent to be made at that time in accordance with the provisions of this Lease, together with payment on account of Percentage Rent payable at such time pursuant to the provisions of this Lease.

3.4 Landlord's Audit

Landlord shall have the right at any time or times to cause to be made by it or its nominee an inspection or audit to such extent as Landlord or its nominee shall determine of all of the books and records relating, directly or indirectly, to Gross Revenue; Landlord shall also have the right during such period to make or cause to be made by its nominee an inspection or audit of books and records of any person, firm or corporation not at arm's length with Tenant to the extent to which they may be relevant to the determination of Gross Revenue. Tenant shall promptly pay Landlord the cost of such audit if: (i) the amount of Gross Revenue in any period covered by such audit shall be found thereby to differ by more than five percent (5%) from the Gross Revenue shown by the statement or statements delivered by Tenant covering such period; or (ii) Landlord's nominee reports that, in its opinion, Tenant's records and procedures are insufficient to permit an accurate determination of Gross Revenue for any period; or (iii) at the time of commencement of any such audit or inspection by Landlord or its nominee, Tenant is in default in delivery to Landlord of any statement or report respecting Gross Revenue required pursuant to this Lease, and such default has continued for five (5) days, whether or not Landlord has given notice respecting such default to Tenant. In any event, if such audit reports that additional Percentage Rent is payable by Tenant, Tenant shall pay such Percentage Rent forthwith together with interest. The report of any auditor appointed by Landlord shall be final and binding upon both parties.

3.5 Determination of Gross Revenue

If Tenant fails to deliver on the day when due hereunder any reports or statements to Landlord as required hereby or if Tenant's books, records and procedures to which Landlord has had access were not sufficient in Landlord's reasonable opinion to permit a determination of Gross Revenue for any period, Landlord may thereafter forward to Tenant an estimate, made by Landlord at Tenant's expense to be paid forthwith on demand, of Gross Revenue for such period and the amount of any deficiency of Percentage Rent paid for such period and Tenant shall forthwith pay to Landlord the amount of such deficiency of Percentage Rent. Such estimate by Landlord shall be based upon such records, information and opinions to which Landlord has had access and which Landlord, acting reasonably, considers reliable, including the apparent business conducted on or from the Premises. Every such estimate shall be final and binding upon Tenant until and except to the extent that Tenant expressly proves the same to be inaccurate, and, in any event, no such estimate by Landlord shall be subject to dispute by Tenant after one (1) month following the date upon which the same is forwarded to Tenant.

3.6 Landlord's Right to Terminate

If Tenant shall be found to have intentionally understated Gross Revenue by five percent (5%) or more in any reports or statements to Landlord, or if Tenant at any time, after having received notice from Landlord of Tenant having understated Gross Revenue by five percent (5%) or more in any statements or reports to Landlord, within twelve (12) months thereafter understates Gross Revenue by five percent (5%) or more in any reports or statements to Landlord, or if Tenant on more than one occasion in any twelve (12) months period fails to deliver when due any reports or statements related to Gross Revenue as and when required hereby, then, in any such event, Landlord shall have the right, without further notice, to terminate this Lease upon not less than five (5) days and not more than sixty (60) days' written notice to Tenant.

4. LANDLORD'S REPRESENTATIONS AND WARRANTIES

4.1 The Landlord makes no representations or warranties regarding the Premises, nor does the Landlord represent or make any warranties that any of the land which is the subject of this Lease is cultivated and/or suitable for farming. The Tenant acknowledges that it relies upon its own estimate and judgment.

5. COVENANTS

5.1 The Landlord and the Tenant covenant and agree as set out in Schedule "C" as attached hereto.

6. ALTERATIONS BY TENANT

6.1 The Tenant, acting reasonably, may from time to time at its own expense make changes, additions and improvements to the Premises to better adapt the same to its business, provided that any change, addition or improvement shall be made only after obtaining written consent of the Landlord, and shall be carried out in a good and workmanlike manner and only by persons selected by the Tenant and reasonably approved in writing by the Landlord. The Tenant shall pay promptly when due all costs for work done or caused to be done by the Tenant to the Premises which could result in any lien or encumbrance on the Landlord's interest in the property and shall keep the title to the property and every part thereof free and clear of any lien or encumbrance.

7. DISPUTE RESOLUTION

7.1 If a dispute arises between the parties, including in respect of the content or interpretation of this Lease, and such dispute has not been resolved within thirty (30) days, the dispute shall be referred to and finally resolved by arbitration under the Canadian Arbitration Association Arbitration Rules. The parties agree that such arbitration will be conducted by ADR Chambers.

8. TERMINATION

8.1 Termination by the Landlord or the Tenant

(a) Either the Landlord or the Tenant may terminate this Lease by giving notice in writing to the other party at least two (2) months prior to the expiry of the Term.

8.2 Termination by the Landlord

Upon the occurrence of any of the following events:

(a) the Tenant fails to pay any Percentage Rent or other sums due hereunder when due, and such Percentage Rent or other sums are not paid within fifteen (15) days after notice is given by the Landlord of such non-payment; and,

(b) the Tenant fails to observe, perform and keep each and every of the covenants, agreements and conditions herein contained to be observed, performed and kept by the Tenant and persists in the failure after fifteen (15) days' notice by the Landlord requiring the Tenant to remedy, correct, desist or comply (or such longer period as may be reasonably required to cure the breach given the nature of same); then the Landlord may, at its option, and in addition to and without prejudice to all rights and remedies of the Landlord available to it either by any other provision of this Lease or by statute or the general law, either

(i) terminate this Lease by giving the Tenant ten (10) days prior written notice of the termination, and be entitled to the full amount of the current year's Percentage Rent which shall immediately become due and payable; or

(ii) without notice or any form of legal process, forthwith re-enter upon and take possession of the Premises or any part thereof in the name of the whole and re-let the Premises or any part thereof on behalf of the Tenant or otherwise as the Landlord sees fit, provided that, if the Tenant has planted crops on the Premises, the Tenant shall be entitled to, within a reasonable period of time after termination of this Lease, re-enter upon the Premises to harvest such crops, and the Tenant shall pay to the Landlord forthwith upon demand all expenses of the Landlord in re-entering, terminating, re-letting, collecting sums due or payable by the Tenant or realizing upon assets seized including tenant inducements, leasing commissions, legal fees on a solicitor and client basis and all disbursements and the expense of keeping the Premises in good order, and preparing the same for re-letting.

9. INDEMNITY

9.1 The Tenant shall indemnify and save harmless the Landlord and its agents and employees from any and all liabilities, damages, costs, claims, suits or actions growing or arising out of:

(a) any breach, violation or non-performance of any covenant, condition or agreement in this Lease set forth and contained on the part of the Tenant to be fulfilled, kept, observed and performed; and

(b) any injury to person or persons, including death, resulting at any time from anything occurring in or about the Premises.

9.2 This indemnification by the Tenant shall survive the termination of this Lease.

10. OVERHOLDING ("ROLLING LEASE")

If the Tenant continues to occupy the Premises with the written consent of the Landlord after the expiration or other termination of this Lease, then, without any further written agreement, the Tenant shall be a tenant from year to year and subject always to all of the other provisions in this Lease; provided that if the Tenant continues to occupy the Premises without the written consent of the Landlord at the expiration or other termination of this Lease, then the Tenant shall be a tenant at will and shall pay to the Landlord, as liquidated damages and not as rent, an amount equal to the amount the Tenant would otherwise be liable to pay under the terms of the Lease if it had not expired or otherwise been terminated, accruing from day to day and adjusted pro rata accordingly and subject always to all of the other provisions of this Lease insofar as they are applicable to a tenancy at sufferance, and a tenancy from year to year shall not be created by implication

of law; provided that nothing herein contained shall preclude the Landlord from taking action for recovery of possession of the Premises.

11. GENERAL

11.1 Incoming Tenant

(a) An incoming tenant, purchaser, or the Landlord shall have the right to enter upon the Premises to examine, inspect and show the Premises for the purposes of leasing, sale or financing.

11.2 Landlord's Right of Inspection

(a) The Landlord or his agent or employee may, upon the provision of a reasonable notice period, enter the Premises to inspect same.

(b) If repairs or amendments are required, the Tenant shall make the necessary repairs or amendments within one (1) month of receiving written notice from the Landlord.

11.3 Assignment and Subletting

(a) The Tenant shall not assign or sublet his interest in this Lease, or any part of his interest in this Lease, nor grant any licence or part with possession of the Premises or transfer any other right or interest under this Lease without the Landlord's prior written consent, which consent may be unreasonably withheld.

11.4 Sale of the Premises

(a) If the Landlord sells or otherwise disposes of all or part of the Premises, it will do so subject to the provisions of this Lease, unless the Landlord and the Tenant agree otherwise in writing.

11.5 Liens

(a) The Tenant shall, immediately upon demand by the Landlord, remove or cause to be removed, and thereafter institute and diligently prosecute any action pertinent thereto, any builders' or other lien or claim of lien noted or filed against or otherwise constituting an encumbrance on any title of the Landlord. Without limiting the foregoing obligations of the Tenant, the Landlord may cause the same to be removed, in which case the Tenant shall pay to the Landlord forthwith, the cost thereof, including the Landlord's complete legal costs on a solicitor and his own client full indemnity basis.

11.6 No Transfer on Bankruptcy

(a) Neither this Lease nor any interest of the Tenant herein nor any estate hereby created will pass or ensure to the benefit of any trustee in bankruptcy or any receiver or any assignee for the benefit of creditors of the Tenant or otherwise by operation of law.

11.7 Renewal

(a) The term of this Lease may be extended by mutual agreement of the Landlord and the Tenant in writing for a further period upon the same terms and conditions herein, except as otherwise agreed in writing by the parties executing a renewal statement.

11.8 Enurement

(a) The terms "Landlord" and "Tenant" shall include their heirs, executors, administrators, successors and approved assigns in the singular or plural number, and all the covenants shall be construed as being joint and several.

11.9 Ontario Law Applies

(a) This Lease shall be governed by and construed in accordance with the laws of the Province of Ontario and the parties hereto hereby submit to the jurisdiction of the Courts in the Province of Ontario.

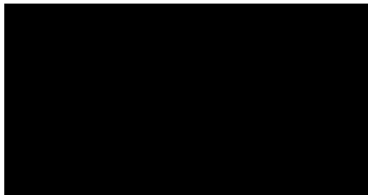
11.10 Registration

(a) The Tenant agrees not to register this Lease without the prior written consent of the Landlord, which consent may be unreasonably withheld.

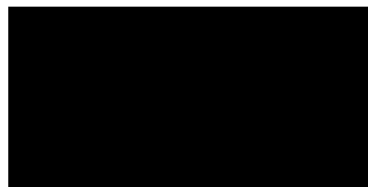
11.11 Notice

(a) Any demand, notice, direction or other communication to be made or given hereunder (in each case, "Communication") shall be in writing and shall be made or given by personal delivery, by courier, by facsimile transmission, email, or sent by registered mail, charges prepaid, addressed as follows:

Landlord:



Tenant:



or to such other address or email address as any party may, from time to time, designate in accordance with this Section.

(b) A communication will be considered to have been given or made on the day that it is delivered in person or by courier, or sent by facsimile or, if mailed, seventy-two (72) hours after the date of mailing. If the postal service is interrupted or substantially delayed, any Communication will only be delivered in person or by courier or sent by facsimile.

11.12 Amendments to the Lease

(a) No alteration or amendment of this Lease shall take effect unless the same is in writing duly executed by each of the parties in the same manner as this Lease.

11.13 Schedules

Schedules attached to this Lease (including their respective attachments, if any) form an integral part of this Lease and are incorporated herein by reference. In the event of any inconsistency between any schedule and the Lease, the text of the schedule in question shall be deemed to control.

[Signature page to follow]

WOODSTOCK BIOMED INC.

/s/ "Martin Doane"

Title: CEO

MEDICAL SAINTS LTD.



SCHEDULE "A"
PREMISES DESCRIPTION

Address: 770 Foss Road, Fenwick (Pelham), Ontario L0S 1C0

Legal Description: PT LT 15 CON 11 PELHAM AS IN BB86405 & PT 1 59R2879; S/T PE15930; S/T EASEMENT AS IN SN151409 TOWN OF PELHAM

Property Identification No.: 640290095

Assessment Roll No.: 273201001805100

SCHEDULE "B"

See attached

SCHEDULE "C"

COVENANTS

In this section: "**Environmental Laws**" shall mean all Laws: (a) relating to the environment, human health, or natural resources; (b) regulating, controlling, or imposing liability or standards of conduct concerning any Hazardous Materials; (c) relating to Remedial Actions; and (d) requiring notification or disclosure of releases of Hazardous Materials or of the existence of any environmental conditions on or at the Premises, including, without limitation, the *Canadian Environmental Protection Act, 1999*, S.C. 1999, c. 33, the *Impact Assessment Act*, S.C. 2019, c. 28, s. 1, the *Hazardous Products Act*, R.S.C. 1985, c. H-3, the EPA, the *Aggregate Resources Act*, R.S.O. 1990, c. A.8, the *Environmental Assessment Act*, R.S.O. 1990, c. E.18 and the *Waste Diversion Transition Act, 2016*, S.O. 2016, c. 12, Sched. 2, as any of the foregoing may be amended, supplemented, or supplanted from time to time, any other law or legal requirement concerning hazardous or toxic substances, and any amendments to the foregoing; "**Remedial Action**" shall mean the investigation, response, clean up, remediation, prevention, mitigation, or removal of any Hazardous Materials necessary to comply with any Environmental Laws; and "**Hazardous Materials**" shall mean those substances that are generally considered hazardous to human health and includes any pollutants, liquid wastes, industrial wastes, hauled liquid wastes, toxic wastes, dangerous or hazardous wastes, materials or substances or contaminants.

1. LANDLORD'S COVENANTS

The Landlord covenants and agrees with the Tenant:

1.1 General

- (a) to pay all mortgages against the Premises, if any;
- (b) for quiet enjoyment of the Premises; and,
- (c) to observe and perform all the covenants and obligations of the Landlord herein.

2. TENANT'S COVENANTS

The Tenant covenants and agrees with the Landlord:

2.1 Operation and Maintenance of the Premises

(a) Use of the Premises

- (i) to use the Premises only for the purpose of farming industrial hemp (containing less than 0.3% THC) on the land and any and all uses ancillary thereto, save and except that the Tenant shall not be entitled to keep any livestock on the Premises.;
- (ii) not to allow any public use of the Premises without the written consent of the Landlord, which consent may be unreasonably withheld; and,
- (iii) not to build any structure, barn, shed, fuel storage facility, or permanent feed storage facility without the written consent of the Landlord.

(b) Farming Decisions

- (i) to make all decisions with respect to growing crops on the Premises, unless stated otherwise in this Lease, but all decisions made by the Tenant will be in accordance with good farming practices and in accordance with the provisions of this Lease.
- (c) Farming Costs.
 - (i) to be responsible for the payment of all of the costs and expenses associated with the Tenant's obligations hereunder directly to the appropriate party as they come due and shall, at the Landlord's request, provide the Landlord with copies of receipts or other proof acceptable to the Landlord that such costs have been paid.
 - (ii) to be responsible for any costs or expenses related to the compliance with Environmental Laws and/or the monitoring, testing, removal, cleaning, abatement, or remediation of any Hazardous Materials in or about the Lease Premises, and including, without limitation, Hazardous Materials in the ground water or soil to the extent present on, before, or after the Commencement Date caused by the acts or omissions of the Tenant or any other person, agents, employees, invitees, or entities.
- (d) Resource Protection
 - (i) to comply with present and future laws, regulations and orders relating to the occupation or use of the Premises which shall include, but not be limited to, all activities related to groundwater contamination, the application of pesticides and commercial fertilizers, the cultivation of crops and the compliance thereof, and the storage and/or disposal of any hazardous waste;
 - (ii) to be responsible for maintaining nutrient and pH levels on the land as mutually agreed upon with the Landlord;
 - (iii) to do what is reasonably necessary to control soil erosion and to abstain from any practice which will cause damage to the Land;
 - (iv) to not remove sand, gravel, topsoil or minerals from the Premises;
 - (v) to not permit or allow the accumulation of any waste material, debris, refuse or garbage on the Premises;
 - (vi) to not allow any site contamination such as, but not limited to, chemicals, oil spills, hydrocarbons, or any other waste materials on the Premises or adjacent water bodies;
 - (vii) to not apply manure to frozen ground or to land where, prior to incorporation, it may flow overland into a watercourse; and,
 - (viii) to maintain a ten (10) metre buffer strip of grasses and clover alongside the municipal drain.
- (e) Pesticides and Herbicides
 - (i) to perform all acts required to be done under any Act or by regulations or by- laws with respect to weed control, and the Tenant will not sow, or permit to be sown any grain infected by smut or containing any foul seeds or noxious weed, and will not suffer or permit any such foul seeds or noxious weeds to go to seed; and,
 - (ii) to store, use, and dispose of agricultural chemicals, including pesticides, herbicides, and fertilizer, in accordance with label directions and federal, provincial and municipal legislation and recommendations.

(f) Repair of Fences and Improvements

- (i) to be responsible for the maintenance and upkeep of the fences and windbreaks, and to keep same in good order and condition; and,
- (ii) to keep the mouths of all underdrains on the Premises open and free from obstruction and in good running order at all times during the Term and will not suffer or permit such drains or the water-courses in any open ditches on the Premises, to become obstructed, but will keep them free and clear for the escape of the water flowing therein.

2.2 Hazardous Materials

(a) Tenant Operations and the Environment

- (i) Tenant shall not directly or indirectly permit any violation of any Environmental Laws affecting the Premises.
- (ii) Tenant shall not cause in, on, at, from, under, above or about, or suffer or permit to occur in, on, at, from, under, above or about, the Premises any generation, use, manufacturing, refining, transportation, production, injecting, pouring, emission, emitting, release, pumping, dumping, treatment, processing, storage, discharging, deposit, disposal, presence, escaping, spilling, leaking, leaching or handling of any Hazardous Materials (collectively "**Release**"), except that limited quantities of Hazardous Materials may be used, handled, or stored on the Premises, provided such is incident to and reasonably necessary for the maintenance of the Premises or Tenant's operations for its permitted use and is in compliance with all Environmental Laws.
- (iii) Should a Release of any Hazardous Material occur at the Premises as a result of the acts or omissions of Tenant, or its employees, agents, suppliers, customers, contractors, or invitees, Tenant shall immediately comply with all required or recommended remedial actions and shall contain, remove from the Premises, and/or properly dispose of such Hazardous Materials and any material contaminated by such Release, and remedy and mitigate all threats to human health or the environment relating to such release, all in accordance with Environmental Laws, including, without limitation, complying with all requirements and guidelines of professional bodies, associations or other organizations governing Tenant's use or business conducted in the Premises.
- (iv) Tenant shall, at Tenant's expense, promptly make all submissions to, provide all information required by, and comply with all requirements of, all governmental authorities, and shall complete, certify and deliver to Landlord at any time and from time to time during the Term, Landlord's environmental questionnaire.
- (v) Tenant shall comply with Ontario Regulation 127/01, as amended, of the EPA (Reg. 127/01) in relation to air emissions by Tenant and shall promptly provide evidence satisfactory to Landlord of such compliance. If Tenant fails to comply with Reg. 127/01, Tenant agrees that Landlord shall have immediate access to all Tenant's records to the extent required for Landlord to comply with the reporting requirements of Reg. 127/01 on Tenant's behalf, and Tenant agrees to be responsible for the accuracy of such reports.
- (vi) Should any governmental authorities or any third party having jurisdiction demand that a clean-up plan be prepared and a clean-up undertaken because of any Release or existence of any Hazardous Materials that occurs during any time the Tenant is in possession of the Premises, at or from the Premises, or which arises at any time from Tenant's use or occupancy of the Premises, then Tenant shall, at Tenant's expense, promptly prepare and submit the required

plans and all related bonds and other financial assurances and Tenant shall, at its expense, promptly carry out all such clean-up plans.

(b) Tenant Operations

Tenant, in a timely manner, shall, to the extent required due to Tenant's use of the Premises or arising out of Tenant's actions at the Premises obtain and maintain in full force and effect all permits, licenses, and approvals, and shall make and file all notifications and registrations as required by Environmental Laws. Tenant shall at all times comply with the terms and conditions of any such permits, license, approvals, notifications, and registrations. Tenant shall provide copies of the following pertaining to the Premises or Tenant's use thereof, promptly after each shall have been submitted, prepared, or received by Tenant: (a) all notifications and associated materials submitted to any governmental agency relating to any Environmental Law; (b) all notifications, registrations, reports, and other documents and supporting information prepared, submitted, or maintained in connection with any Environmental Law or otherwise relating to environmental conditions; (c) all permits, licenses, and approvals, including any modifications thereof, obtained pursuant to any Environmental Law; and (d) any correspondence, notice of violation, summons, order, complaint, or other documents received by Tenant pertaining to compliance with or liability under any Environmental Law.

(c) Permits and Documents

Upon not less than one (1) hour prior telephonic or written notice (except in the case of an emergency in which event Landlord shall provide telephonic or written notice as soon as practicable under the circumstances), Tenant agrees to permit Landlord and its authorized representatives to enter, inspect, and assess the Premises and conduct tests and appraisals of the Premises at reasonable times for the purpose of determining Tenant's compliance with the provisions of this Schedule. Such inspections and assessments may include obtaining samples and performing tests of soil, surface water, ground water, or other media and to remove sample from the Premises. Landlord may, at Landlord's sole option, now or in the future, obtain a report from an environmental consultant of Landlord's choice, including a Phase I and a Phase II Environmental Site Assessment (ESA), as to whether Tenant has been or is currently using any part of the Premises for the improper use, handling, storage, transportation, or disposal of Hazardous Materials. If any such report indicates such improper use, handling, storage, transportation, or disposal of Hazardous Materials on the part of Tenant (or on behalf of Tenant), Tenant agrees to reimburse Landlord within ten (10) days after receipt of an invoice and supporting documentation from Landlord for the cost of obtaining the environmental report, including any Phase I or Phase II ESAs, and, in addition, Landlord shall require that all violations of Environmental Law with respect to the Hazardous Materials be corrected and/or that Tenant obtain all necessary environmental permits and approvals. If Tenant fails to correct any such violation(s) of Environmental Law and/or fails to obtain such necessary permits within a reasonable time after demand from Landlord, then Landlord may declare this Lease in default and/or may cause the Premises and any surrounding areas to be freed from the Hazardous Materials at Tenant's sole cost and expense, which Tenant agrees to pay ten (10) days of demand from Landlord. Tenant shall also have the right to have its own environmental expert attend the foregoing inspection and review any environmental reports prepared by Landlord's environmental consultant. Except in the case of an emergency, the time period of Landlord's access is limited to the business hours of Tenant.

(d) Indemnification

Tenant hereby agrees to indemnify, defend, save, and keep Landlord, and Landlord's officers, directors, principals, shareholders, partners, employees, successors, and assigns, harmless from and against any and

all liabilities, obligations, charges, losses, damages, penalties, claims, actions, and expenses, including without limitation, engineers' and professional fees, soil tests, and chemical analysis, Phase I and Phase II ESAs, remediation costs, court costs, legal fees, and expenses through all trial, appellate, and administrative levels, imposed on, incurred by, or asserted against Landlord, in any way relating to, arising out of, or in connection with any Release of Hazardous Materials by Tenant in, on, about, from, under or above the Premises and/or the Premises. The foregoing indemnification shall survive any assignment or termination of this Lease.

2.3 Insurance

Property Loss and Liability Insurance

To maintain comprehensive general liability insurance applying to all operations of the Tenant and against claims for bodily injury, including death, and property damage or loss arising out of the use or occupation of the Premises and against any liability to third parties arising from or in relation to the Tenant's use or occupancy of the Premises, in at least the amount of Two Million (\$2,000,000.00) Dollars combined single limit. This policy of insurance shall contain the provision that it shall not be cancelled without the insurer providing the Landlord thirty (30) days' written stating when such cancellation shall be effective. Evidence satisfactory to the Landlord of such policy of insurance shall be provided to the Landlord upon request.

2.4 Hemp Regulations and Zoning

- (a) The Tenant acknowledges that neither the Landlord nor Landlord's representatives have made any oral or written representations or warranties whatsoever concerning the suitability or zoning of the property with respect to its potential use as a Hemp cultivation facility, and that it is the sole responsibility of the Tenant to investigate and to satisfy itself concerning the suitability of the Premises for such use.
- (b) Tenant understands and agrees that Tenant, and not Landlord, shall be solely responsible at the Tenant's own expense for full compliance with all provincial and local laws, rules, regulations and ordinances pertaining to the maintenance and/or operation of a Hemp cultivation facility on the Premises.
- (c) Tenant warrants and represents that it is eligible and qualified to operate a Hemp cultivation facility on the Premises under all applicable federal, provincial and local laws rules, regulations and ordinances, and that Tenant has obtained all legally required licenses, permits, and approvals to do so before commencing operations on the Premises.
- (d) Tenant shall indemnify, defend and hold harmless Landlord, its trustees, agents, employees, and lenders from and against all damages, liabilities, judgments, claims, expenses, penalties, and attorney and consultant fees arising out of or connected in any way to Tenant's violation or alleged violation of any federal, provincial, or local law, rule, regulation or ordinance, whether or not litigation or prosecution is actually commences against Landlord, its trustees, agents, employees or lenders.
- (e) Tenant shall provide notice to Landlord immediately in the event of the revocation, suspension, expiration, transfer, or surrender of Tenant's lawful authority to operate a Hemp cultivation facility. Such revocation, suspension, expiration, transfer or surrender, or Tenant's failure to provide immediate notice thereof to Landlord, shall constitute an incurable breach of the Lease entitling Landlord at its sole discretion to terminate the Lease.

2.5 General

- (a) to pay all of the costs and expenses associated with the Tenant's obligations hereunder directly to the appropriate party as they come due and shall, at the Landlord's request, provide the Landlord with copies of receipts or other proof acceptable to the Landlord that such costs have been paid. If the Tenant fails to perform any obligation under this Lease or to pay any costs and expenses as set out herein, the Landlord may at its sole option and discretion, on seven (7) days written notice to the Tenant, perform such obligation or pay such amounts on behalf of the Tenant and the Tenant shall forthwith upon receipt of an invoice therefor reimburse the Landlord for the cost of such action or the amount of such payment;
- (b) not to do, omit to do or permit to be done anything which will cause or shall have the effect of causing the cost of the Landlord's insurance in respect of the Premises to be increased at any time during the Term or any policy of insurance on or relating to the Premises to be subject to cancellation;
- (c) to agree that the Landlord shall not be responsible for personal injury or property damage that the Tenant or the Tenant's invitees, agents, or guests may suffer or sustain by reason of the used of the Premises whether arising by reasons of negligence or otherwise; and,
- (d) to observe and perform all the covenants and obligations of the Tenant herein.

Schedule B: Woodstock BioMed – PIN Map 2019

