

JOINT VENTURE AGREEMENT

This Agreement is made this 1st day of February, 2019.

BETWEEN:

GREEN STAR BIOSCIENCES INC.,
a corporation incorporated under the laws of Alberta, Canada
(hereinafter referred to as "**Green Star**")

-and-

PROGRESSIVE HERBS, INC.,
a corporation incorporated under the laws of the State of Delaware
(hereinafter referred to as "**Progressive**"),

(each a "**Party**" and together called the "**Parties**")

WHEREAS Progressive has an exclusive license with respect to certain proprietary technology for a sustainable, easy to use, inexpensive, most productive growing system as detailed in Schedule "B" attached hereto;

AND WHEREAS, Green Star has capital and expertise in the growing, processing and distribution of cannabis, hemp, medicinal and bio pharmaceutical products worldwide (the "**Territory**"); and

AND WHEREAS, the parties wish to take advantage of their respective operational and business development and access opportunities for their mutual benefit;

NOW THEREFORE, in consideration of the premises and mutual covenants contained in this Agreement, the parties agree as follows:

ARTICLE 1- JOINT VENTURE

1.1 Formation of Joint Venture

The parties hereby form a joint venture (the "**Joint Venture**") for the production, processing, marketing and distribution of cannabis, hemp, medicinal and bio pharmaceutical products for consumption worldwide (collectively the "**Joint Venture Operations**"), all in accordance with the terms and conditions hereinafter set forth. It is the intention of the parties to incorporate a limited liability company for the purposes of carrying on Joint Venture Operations in accordance with the terms of this Joint Venture Agreement (the "**JV LLC**")

Each of the parties shall devote such time as may be required to fulfill any obligation assumed by it hereunder, but, except as otherwise set out herein, each party shall be at liberty to engage in any other business or activity outside the Joint Venture except to the extent such activity shall be in direct competition with the Joint Venture's efforts to manufacture and sell of cannabis, hemp medicinal and bio pharmaceutical products for consumption worldwide.

Each of the parties has certain expertise in relation to the business and operations of the Joint Venture and agrees to provide such expertise or assistance as may be reasonably required from time to time.

1.2 Name of Joint Venture

The name of the Joint Venture shall be the "**Progressive Joint Venture**".

1.3 Principal Place of Business

The principal place of business of the Joint Venture shall be 1445 Industrial Way, Unit 19B, Longview, Washington.

1.4 Fiscal Year

The fiscal year of the Joint Venture, and thereby the JV LLC, shall end on December 31st in each year, or such other date as determined by the parties.

1.5 Limit on Other Business

Each of the Parties shall devote such time as may be required to fulfill any obligation assumed by it hereunder, but, except as otherwise set forth in Section 1.1, each Party shall be at liberty to engage in any other business or activity outside the Joint Venture.

1.6 Management

Except as provided in Schedule "A" attached hereto, the Joint Venture shall be managed, administered and operated by a management committee, which shall consist of one representative of Progressive, who shall be Jonathan Partlow (or another nominee of Progressive at their discretion), and one representative of Green Star, who shall be Ralph Olson (or another nominee of Green Star at its discretion) (the "**Management Committee**"). The Management Committee shall meet, either by teleconference or in person, as often as reasonably required and any member of the Management Committee may call a meeting (the "**Calling Member**") on no less than three (3) business days' notice to the other member, which notice shall specify the purpose of the meeting. The Calling Member shall be responsible for taking minutes of the meeting and for sending an email confirmation to the other members summarizing and confirming any decisions that were made at such meeting. All notices, confirmations and other communications among the members of the Management Committee may be delivered by email. If a member of the Management Committee is not available on three business days' notice to consult and make decisions with respect to the Joint Venture Operations and if material decisions must be made on a timely basis, such party agrees to appoint an alternate nominee. Each member of the Management Committee shall act in good faith and use his or her reasonable efforts to attend all meetings. A nominee of each of Progressive and Green Star, shall constitute a quorum for transaction of business.

If the Management Committee is unable to reach a decision on a material issue due to a deadlock among the members of the Management Committee at two consecutive meetings, despite good faith negotiations and discussions, then the matter shall be resolved pursuant to Section 6.7.

The Management Committee shall be free to appoint a manager to oversee the day to day operations of any specific project undertaken by the Joint Venture, under supervision of the Management Committee.

1.7 Transfer

Save as herein expressly provided, the Parties shall not withdraw from the Joint Venture, assign, transfer, convey, encumber or otherwise dispose of their respective interests in the Joint Venture, or the corresponding JV LLC, unless consented to in writing by all Parties. Notwithstanding anything contained in this Agreement to the contrary, any transferee or recipient of an interest in the Joint Venture subject to an effective transfer shall have no right to (a) vote or to otherwise participate in the management of the business or affairs of the Joint Venture, (b) become a Party to this Agreement or otherwise exercise any rights of a Party, or (c) have access to the Joint Venture records; unless the remaining Party, in its sole and absolute discretion, approves the admission of the assignee as a Party and the assignee executes documentation satisfactory to the remaining Party accepting and adopting the terms of this Agreement. The transferor in a transfer of the transferor's entire interest to an assignee shall cease to be a Party to this Agreement and shall not have any power to exercise any rights of a Party; provided, however, that such transferor is not released from any liability incurred hereunder.

1.8 Progressive's Contributions

Progressive shall make the following contributions to the Joint Venture:

- (a) Progressive owns an exclusive license to a proprietary technology for a sustainable, easy to use, inexpensive, most productive growing system (the "**Technology**"), as further described in Schedule "B" attached hereto. Progressive hereby grants to the Joint Venture as at and from the date of this Agreement an exclusive, world-wide right and sublicense to use, reproduce, develop, manufacture, commercialize, further sublicense and otherwise exploit the Technology (including all intellectual property and other information necessary to so exploit the Technology) as more particularly set forth in the License Agreement in the form attached hereto as Schedule "C," solely in connection with the production, development, manufacture and sale of cannabis, hemp medicinal and bio pharmaceutical products for consumption (the "**License**").
- (b) Progressive shall operate, manage and administer the Technology on behalf of the Joint Venture; and
- (c) Progressive shall arrange for and make available, at the cost of the Joint Venture, all necessary equipment, supplies, personnel, services, transportation and related goods and services as reasonably required by the Joint Venture in the Territory pursuant to agreements entered into on behalf of the Joint Venture and approved by the Management Committee.

1.9 Green Star's Contributions

Green Star shall make the following contributions to the Joint Venture:

- (a) Green Star shall contribute funds in an amount not to exceed \$_____ as may be necessary to purchase equipment used in the operation of Joint Venture for the purpose of manufacturing and distributing the Technology (the "**Equipment**");
- (b) Green Star, through its affiliate, Cowlitz County Cannabis Cultivation Corp., has an interest in a license to distribute cannabis products in the State of Washington, which shall be made available to the Joint Venture for Joint Venture purposes;

- (c) Green Star has expertise in the Territory and preferential access to business opportunities in the Territory and shall provide compliance, marketing, contacts, information, connections and distribution to the Joint Venture in the Territory;
- (d) Green Star will acquire an ownership interest in a manufacturing facility located at 4916 S Ben Franklin Ln, Thorpe Westwood, Washington (the “**Facility**”) which shall be made available to the Joint Venture for the purpose of manufacturing and distributing the Technology. The Joint Venture shall be entitled to up to 2,000 square feet of space within the Facility (see Section 1.12 below);
- (e) Green Star shall assist the Joint Venture in making bids on projects;
- (f) In addition to the funds contributed pursuant to Section 1.9(a) above, Green Star shall facilitate the initial funding (as described in Section 2.3); and
- (g) Green Star shall provide the Joint Venture and Progressive with all other expertise or assistance as may be requested by Progressive from time to time.

1.10 Progressive’s Representations and Warranties

Progressive represents and warrants to Green Star that:

- (a) Progressive is a corporation duly incorporated and validly subsisting under the laws of the State of Delaware;
- (b) Progressive has all requisite corporate power and authority to execute and deliver this Agreement and to perform its obligations hereunder;
- (c) this Agreement has been duly executed and delivered by Progressive and it constitutes a legal, valid and binding obligation of it, enforceable in accordance with its terms; and
- (d) the execution and delivery of this Agreement and the completion of the transactions contemplated hereby do not and will not conflict with, result in a default under, or accelerate or permit the acceleration of the performance required by, any agreement, instrument or authority to which Progressive is bound.

1.11 Green Star’s Representations and Warranties

Green Star represents and warrants to Progressive that:

- (a) Green Star is a corporation duly incorporated and validly subsisting under the laws of the Province of Alberta, Canada;
- (b) Green Star has all requisite corporate power and authority to execute and deliver this Agreement and to perform its obligations hereunder;
- (c) this Agreement has been duly executed and delivered by Green Star and it constitutes a legal, valid and binding obligation of it, enforceable in accordance with its terms;

- (d) the execution and delivery of this Agreement and the completion of the transactions contemplated hereby do not and will not conflict with, result in a default under, or accelerate or permit the acceleration of the performance required by, any agreement, instrument or authority to which Green Star is bound; and
- (e) Green Star is in compliance with the laws governing the manufacture, sale and distribution of cannabis products and related products in the jurisdictions in which it carries on such business and there is no action of any nature pending or, to Green Star's knowledge, threatened against or by Green Star that would challenge or prevent, enjoin or otherwise delay the transactions contemplated by this Agreement. To Green Star's knowledge, no event has occurred or circumstances exist that may give rise to, or serve as a basis for, any such action.

1.12 Facility

The Facility shall be leased by the Joint Venture from Ben Franklin Lane LLC pursuant to the terms of the Lease attached hereto as Schedule "D" (the "**Lease**"). As part of their contribution to the Joint Venture, Green Star will contribute to the Joint Venture sufficient funds to cover all of the expenses for the Facility set forth in the Lease. Green Star will also be responsible for funding, without reimbursement from the Joint Venture or Progressive: (i) all costs of construction of any necessary remodel of the Facility necessary to carry on Joint Venture business; and (ii) any other costs and expenses for developing the Facility including, but not limited to, work excluded from or not covered by the construction contract, related consulting fees, miscellaneous equipment (not including the Equipment), furniture, fixtures, signage and the cost to acquire and amend the cannabis license, conditional use permit and/or business permits.

In the case that the Facility is sold, Green Star shall be responsible for obtaining and providing a substantially similar facility for the purposes of the Joint Venture manufacturing and distribution, at its sole cost.

1.13 Operating Budget

Green Star shall prepare an annual operating budget for the Joint Venture, (each such budget approved by the Management Committee, the "**Operating Budget**") for the upcoming fiscal year, including the expenses budgeted to be incurred, as well as capital and operating expense budgets, cash flow and retained earnings projections, and profit and loss projections, all itemized in reasonable detail. To the extent that the Green Star does not prepare or the Management Committee does not approve the annual operating budget for the Joint Venture prior to the beginning of the fiscal year to which such budget pertains, the Joint Venture shall be managed under the most recently approved Operating Budget (including an adjustment for the percentage increase for the most recent 12 month period in the Consumer Price Index, United States City Average, for "All Urban Consumers", published by the Bureau of Labor Statistics of the United States Department of Labor or if such index is no longer published or issued, any successor index), until such time as Green Star submits and the Management Committee approves the annual operating budget for the Joint Venture for such fiscal year or any dispute regarding the approval of such budget is resolved pursuant to Section 6.7.

ARTICLE 2- OWNERSHIP INTERESTS AND DISTRIBUTIONS

2.1 Ownership

Unless otherwise indicated or until varied in accordance with the terms and conditions of this Agreement, the parties shall each own and be entitled to an interest in all of the property and assets of the Joint Venture from time to time, including the rights and benefits attached thereto or associated therewith, in the following proportions: Green Star - 50%; Progressive - 50% (the “**Interests**”). For Clarity, the Interests shall further be reflected in the JV LLC.

Notwithstanding the foregoing, the distribution of revenue by the Joint Venture shall be as detailed in Section 2.7 below.

2.2 Profits and Allocations

The parties acknowledge that the object of the Joint Venture is to maximize profits for the parties. All benefits, rights, profits, obligations, expenses, losses and liabilities to be derived from the Joint Venture shall be allocated and credited to or borne by the parties in accordance with their respective Interests in the Joint Venture as set out in Sections 2.1 and 2.7.

2.3 Initial Funding

All additional funds required for the purposes of the Joint Venture shall be obtained, to the greatest extent possible, through loans from the Bank or another lender or lenders or, to the extent necessary, from the Parties to the Joint Venture (on a *pro rata* basis in accordance with their respective interests in the Joint Venture). The decision as to whether such funds are required, from whom such funds will be borrowed and the terms and conditions of such borrowing shall be determined by the Parties to the Joint Venture but, in any event, any covenants or guarantees made in respect of such financings shall be limited and equal among the Parties (on a *pro rata* basis in accordance with their respective interests in the Joint Venture). Each Party agrees to use commercially reasonable efforts to assist the Joint Venture to obtain such funds and to execute and deliver all necessary documents and statements as may be required by such lenders.

2.4 Costs of the Joint Venture

All reasonable and necessary costs and expenses incurred by either Party in the course of carrying on the business of the Joint Venture shall be reimbursable by the Joint Venture and shall be treated as a Joint Venture expense other than as otherwise agreed pursuant to the terms of this Agreement including any Lease costs, costs of construction related to the Facility and cost of Equipment, which shall be borne by Green Star on behalf of the Joint Venture.

2.5 Intellectual Property Rights

- (a) Progressive shall retain ownership of (i) all Intellectual Property owned by Progressive prior to the execution of this Agreement, (ii) all Intellectual Property developed by Progressive subsequent to the execution of this Agreement but outside the scope of Progressive’s performance under this Agreement, and (iii) all Intellectual Property developed exclusively by Progressive subsequent to the execution of this Agreement.
- (b) Green Star shall retain ownership of (i) all Intellectual Property owned by Green Star prior to the execution of this Agreement, (ii) all Intellectual Property developed by Green

Star subsequent to the execution of this Agreement but outside the scope of Green Star's performance under this Agreement, and (iii) all Intellectual Property developed exclusively by Green Star subsequent to the execution of this Agreement.

- (c) Any Intellectual Property developed jointly by Progressive and Green Star under the Joint Venture shall be jointly owned by Progressive and Green Star.
- (d) "**Intellectual Property**" shall include, but is not limited to, any idea, design, concept, technique, invention, discovery or improvement whether or not patentable or copyrightable, as the case may be, on a world-wide basis, including but not limited to, all patents, patent applications and registrations, trademarks, trademark applications and registrations, copyright, copyright applications and registrations, trade names and industrial designs, domestic or foreign, owned or used by a Party, all trade secrets, know-how, inventions and other intellectual property owned or used by such Party, and all computer hardware and software, including without limitation all documentation relating thereto and the latest revisions of all object and source codes therefor, owned or used by such Party.

2.6 Several Liability

The liability of each Party with respect to the obligations, expenses, losses and liabilities of the Joint Venture shall be several as to each party's respective Interests in the Joint Venture except to the extent any losses or liabilities of the Joint Venture are attributable to the acts or omissions of a Party, and not joint or collective. Each Party shall be responsible only for its obligations as set out herein and shall be liable only for its share of the expenses, losses and liabilities. It is the intention of the parties hereto to create a mutual understanding and agreement and not a partnership. Nothing in this Agreement shall be construed to create a partnership nor shall any provisions of this Agreement be interpreted as if the parties were partners.

2.7 Distribution of Revenue

All revenues received from the operations of the Joint Venture after the provision for reasonable working capital requirements of the Joint Venture, including requirements to maintain reserves for Joint Venture expenses and for claims as determined in the sole discretion and judgment of the Management Committee, acting reasonably, shall be distributed or applied in accordance with the following priorities:

- (a) first, in payment of all costs and expenses incurred in the conduct of the business of the Joint Venture;
- (b) second, in payment of any and all previous months' losses that were funded by Green Star or Progressive, if any, *pro rata*; and
- (c) third, to the parties in accordance with their respective Interests in the Joint Venture.

Notwithstanding the foregoing, until the capital cost of the Equipment described in Section 1.9(a) and amounts related to the Facilities as described in Section 1.12 actually paid by Green Star have been repaid in full, 20% of the revenue pursuant to subsection 2.7(c) above shall be paid to Green Star, to be credited against the repayment of such amounts, with the remainder of such revenue shared as to Progressive 50% and Green Star 50%. Distributions of revenue pursuant to subsection 2.7(c) above are herein referred to as a Party's "**Economic Interest**".

2.8 Calculation of Net Revenues

Revenues to the Joint Venture shall be calculated in accordance with generally accepted accounting principles, consistently applied.

2.9 Joint Venture Losses

All losses shall be shared by the Parties in accordance with their Interests in the Joint Venture, unless such losses have been caused by a Party as the result of its gross negligence or willful misconduct, in which case the other Party (the non-negligent party) shall not be responsible for such loss.

2.10 Assignment of Economic Interest

Subject to the prior written consent of the other Party, which consent may not be unreasonably withheld, a Party may assign its rights to receive the Economic Interest to a third-party. Such a permitted assignment shall not of itself cause the dissolution of the Joint Venture or entitle the assignee to vote, participate in the management and affairs of the Joint Venture or become or exercise any rights of a Party. Upon the assignment of all or part of a Party's Economic Interest, the assignor Party shall provide the Joint Venture with the name and address of the assignee, together with the details of the interest assigned. The assignment of an Economic Interest shall not release the assignor Party from such Party's liability pursuant to the terms of this Agreement. The assignment of all of the Economic Interest of a Joint Venture will not be a Default pursuant to Article 5 of this Agreement or entitle the Joint Venture or the other Party to purchase the assignor's Interest. The pledge or granting of a security interest, lien or other encumbrance in or against all or any portion of a Party's Economic Interest shall not be permitted.

ARTICLE 3 - BOOKS, RECORD AND ACCOUNTING

3.1 Books, Records and Audits

The books and records of the Joint Venture shall be maintained and kept by Green Star in accordance with generally accepted accounting principles. Green Star shall, upon request, provide to Progressive copies of the books and records as well as copies of all invoices, relating to the operations of the Joint Venture. Progressive shall have the right to review the books and records maintained during business hours and on no less than two (2) business days advance written notice.

3.2 Filing and Taxes

Each Party shall be responsible for completing its own filing and payments with appropriate governmental or regulatory agencies and for the reporting related to and payment of any and all taxes, except as set out herein. Green Star shall provide Progressive with all information necessary or reasonably required to file income tax returns with respect to the activities of the Joint Venture.

3.3 Tax Elections

The Management Committee shall have the authority to make all Joint Venture elections permitted under the Internal Revenue Code of 1986 ("IRC"), including, without limitation, elections of methods of depreciation and elections under IRC Section 754. The decision to make or not make an election shall be at the Management Committees sole and absolute discretion. Each Party shall, upon request of the Management Committee, supply the information necessary to give effect to such an election.

The Joint Venture, and the corresponding JV LLC, shall be treated as a partnership for US Federal income tax purposes.

3.4 Bank Accounts

Green Star shall establish a separate bank account or accounts for the operations of the Joint Venture exclusively, which account shall initially be established at The Bank of Washington in Lynnwood, Washington and Green Star shall provide details of such accounts to Progressive. Progressive may only make changes to the location and details of such accounts upon receiving written Management Committee approval. The Management Committee and individuals appointed by the Management Committee shall be authorized to sign all cheques and other documents relating to the Joint Venture bank account and Green Star shall send to Progressive, immediately upon negotiation, copies of any debits or credits made on the Joint Venture bank account.

ARTICLE 4 - CONFIDENTIALITY AND INVENTIONS

4.1 Confidentiality

- (a) No disclosure or announcement, public or otherwise, in respect of the Joint Venture or the transactions contemplated herein or therein will be made by any Party without the prior agreement of the other Parties as to timing, content and method, hereto, provided that the obligations herein will not prevent any Party from making, after consultation with the other Parties, such disclosure as its counsel advises is required by applicable law.
- (b) No Confidential Information may be released to third parties without the consent of the provider thereof.
- (c) Unless and until the transactions contemplated by the Joint Venture have been completed, except with the prior written consent of the other Parties, each of the Parties hereto and their respective employees, officers, directors, shareholders, agents, advisors and other representatives will hold all Confidential Information received from the other Parties in strictest confidence, except such information and documents available to the public or as are required to be disclosed by applicable law. The information provided by each Party, in any form whether written, electronic or verbal, as to financial condition, business, properties, title, assets and affairs (including any material contracts) as may reasonably be requested by the other Parties will be kept confidential by each Party (the "**Confidential Information**"), other than information that:
 - (i) has become generally available to the public;
 - (ii) was available to a Party or its representatives on a non-confidential basis before the date of this Agreement; or
 - (iii) has become available to a Party or its representatives on a non-confidential basis from a person who is not, to the knowledge of the Party or its representatives, otherwise bound by confidentiality obligations to the provider of such information or otherwise prohibited from transmitting the information to the party or its representatives.

- (d) All such Confidential Information in written form and documents will be returned to the Party originally delivering them in the event that the transactions provided for by the Joint Venture are not consummated.

ARTICLE 5—TERM AND TERMINATION

5.1 Term

The initial term of this Agreement shall commence on January 1, 2019 and shall end on December 31, 2029 (the "**Initial Term**"), but shall be automatically renewed for an additional five (5) year terms (each a "**Renewal Term**") if either party fails to notify the other in writing at least sixty (60) days prior to the end of the Initial Term or any Renewal Term that they do not wish to renew. The Joint Venture may be terminated prior to the end of the Initial Term or the Renewal Term on the terms and conditions set out in Section 5.2.

5.2 Default and Termination

Any Party (the "**Defaulting Joint Venturer**") shall be considered in default under this Agreement upon the happening of any one or more of the following events:

- (a) a Party has not rectified any material breach of this Agreement within sixty (60) days after service of written notice by the Party not in default requiring that the breach be remedied;
- (b) if a Party becomes insolvent or is adjudged bankrupt or if a receiver or receiver- manager of such Party's assets is appointed or such Party makes an assignment for the benefit of creditors or otherwise;
- (c) upon the commencement of proceedings for the liquidation, winding- up or dissolution of a Party;
- (d) a Party has acted in any illegal manner which has a material impact on the business of the Joint Venture; or
- (e) if there is change of control of a Party without the prior written consent of the other Party hereto. For the purposes hereof, change of control means the direct or indirect acquisition by any person of legal or beneficial ownership, control or direction over such number of voting securities, or rights to acquire voting securities, or any combination thereof, of such party, other than by a corporate reorganization of any present corporate shareholder.

5.3 Actions Upon Default

Upon the occurrence of an event set forth in Section 5.2 above, the non-defaulting Party may do any one or more of the following:

- (a) terminate this Agreement upon written notice to the defaulting Party;
- (b) pursue any other remedy available to the non- defaulting Party in law or equity, it being acknowledged by each of the Parties that specific performance, injunctive relief

(mandatory or otherwise) or other equitable relief may be the only adequate remedy for a default;

- (c) take all actions in their own name or in the name of the defaulting Party as may reasonably be required to cure the default, in which event all payments, costs and expenses incurred therefor will be payable by the defaulting Party to the non-defaulting Party on demand with interest at the rate of ten (10%) percent per annum; or
- (d) waive the default.

5.4 Mutual Agreement

The Parties may at any time mutually agree to terminate this Agreement.

5.5 Sharing of Distribution or Termination

Upon termination of this Agreement for any reason, the License shall automatically terminate. Upon termination of the Agreement, subject to any legal or equitable remedies available to the non-defaulting Party if this Agreement is terminated pursuant to Section 5.2 herein, all distributions of revenues and other monies realized from the wind- up of the Joint Venture shall be distributed:

- (a) firstly, to discharge all obligations of the Joint Venture to third parties and expenses of the Joint Venture to each of the Joint Venture parties incurred in accordance with the Joint Venture Operations;
- (b) secondly, to reimburse each of the parties for their respective capital contributions made hereunder, if any;
- (c) thirdly, to pay each party allocated but undistributed revenues; and
- (d) the balance, if any, shall be distributed to the parties in accordance with their respective Interests in the Joint Venture.

In the event of a dispute over normal costs, the parties agree to seek the binding opinion of a qualified third party mutually acceptable to both parties.

ARTICLE 6- GENERAL

6.1 Notices

Any notice, document, payment or other communication provided for or permitted hereunder shall be given by personal service or delivery addressed to the party for which it is intended at its address as follows:

- (a) if to Progressive:

9160 Ford Circle
Fishers, Delaware, USA 64038
Attention: Jonathan Partlow, President
Email: jp@aggressivelyorganic.com

if to Green Star:

1250, 639 – 5th Ave. SW.

Calgary, AB T2P 0M9

Attention: Scott Reeves, Corporate Secretary

Email: sreeves@tinglemerrett.com

provided, however, that any party may change its address for purposes of receipt of any such communication by giving ten (10) days prior written notice of such change to the other party in the manner prescribed above. Any notice, document, payment or other communication so given shall be deemed to have been given on the date of such personal service or delivery, and if not a business day, then on the business day next following the day of delivery. Any notice given by facsimile or email shall be deemed to have been given to and received by addressee on the business day transmitted during normal business hours or the next business day if outside normal business hours, provided in either case receipt is either confirmed by answer back to the transmitting party or no notice of failed delivery is received. Any party may from time to time change its address, facsimile number or email address for notice by giving notice to the other party hereto.

6.2 Individual Expenses

Each party shall be responsible for their own expenses as it relates to this Agreement, with the exception of any that are incurred on behalf of the Joint Venture in accordance with the terms of this Agreement.

6.3 No Agency

Neither party shall have the authority to bind the other and Green Star and Progressive shall remain as independent entities at all times.

6.4 Entire Agreement

This Agreement replaces and takes precedence over any previous written or verbal agreements as of the date of signature and represents the entire agreement between the parties with respect to the subject matter herein.

6.5 Amendment

This Agreement can be amended by the mutual consent of the parties.

6.6 Governing Law

This Agreement shall be construed and enforced in accordance with and the rights and obligations of the parties and shall be governed by the laws of the State of Washington and the parties do hereby attorn to the jurisdiction of the courts of the State of Washington.

6.7 Dispute Resolution

- (a) Exclusive Dispute Resolution Mechanism. The parties shall resolve any dispute, controversy or claim arising out of or relating to this Agreement, or the breach, termination or invalidity hereof (each, a "**Dispute**"), under the provisions of Section 6.7(b) through Section 6.7(d). The procedures set forth in Section 6.7(b) through Section

6.7(d) shall be the exclusive mechanism for resolving any Dispute that may arise from time to time.

- (b) Negotiations. The parties shall first attempt in good faith to resolve any Dispute by negotiation and consultation between themselves. In the event that such Dispute is not resolved on an informal basis within twenty (20) business days after one party provides notice to the other party of such Dispute ("**Dispute Notice**"), either party may, by written notice to the any other party ("**Escalation to Executive Notice**"), refer such Dispute to the chief executive officer of each party (or to such other person of equivalent or superior position designated by such party in a written Notice to such other party or parties, "**Executive(s)**"). If the Executives cannot resolve any Dispute during the time period ending thirty (30) days after the date of the Escalation to Executive Notice (the last day of such time period, the "**Escalation to Mediation Date**"), any party may initiate mediation under Section 6.7(c).
- (c) Mediation.
 - (i) Subject to Section 6.7(b), the parties may, at any time after the Escalation to Mediation Date, submit the Dispute to any mutually agreed to mediation service for mediation by providing to the mediation service a joint, written request for mediation, setting forth the subject of the dispute and the relief requested. The parties shall cooperate with the mediation service and with one another in selecting a neutral mediator and in scheduling the mediation proceedings. The parties covenant that they will use commercially reasonable efforts in participating in the mediation. The parties agree that the mediator's fees and expenses and the costs incidental to the mediation will be shared equally between the parties.
 - (ii) The parties further agree that all offers, promises, conduct and statements, whether oral or written, made in the course of the mediation by any of the parties, their agents, employees, experts and attorneys, and by the mediator and any employees of the mediation service, are confidential, privileged and inadmissible for any purpose, including impeachment, in any litigation, arbitration or other proceeding involving the parties, provided that evidence that is otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its use in the mediation.
- (d) Litigation as a Final Resort. If the parties cannot resolve for any reason, including, but not limited to, the failure of any party to agree to enter into mediation or agree to any settlement proposed by the mediator, any Dispute within thirty (30) days after the Escalation to Mediation Date, any party may file suit in a court of competent jurisdiction in accordance with the provisions of Section 6.6.

IN WITNESS THEREOF, the parties hereto have set their hands and seal the day and year first written.

PROGRESSIVE HERBS, INC.

GREEN STAR BIOSCIENCES INC.

DocuSigned by:
JONATHAN PARTLOW
Per: _____
22D8B9B5E49043B...
Name: Jonathan Partlow
Title: President and CEO

DocuSigned by:
Ralph Olson
Per: _____
2664EAF68BD34FC...
Name: Ralph Olson
Title: President and CEO

SCHEDULE "A"

SCHEDULE OF LIMITATIONS ON AUTHORITY

Except as provided otherwise in this Agreement, action by both Parties shall be required to approve any of the following actions:

- (i) any consolidation, merger, share exchange, sale of a majority of the outstanding ownership interest, or amalgamation with, or the acquisition of any interest in, any other entity or its assets, other than acquisitions of goods and services in the ordinary course of business;
- (ii) the sale or other disposition of all or substantially all of the Joint Venture's assets, or a related series of transactions that, taken together, result in the sale or other disposition of all or substantially all of the Joint Venture's assets;
- (iii) create or acquire any subsidiaries;
- (iv) authorize or cause the Joint Venture to engage in a business materially different from the specific purpose set forth in Article I of this Agreement or to purchase assets not related to the business of the Joint Venture;
- (v) file for Bankruptcy;
- (vi) except as otherwise provided in this Agreement, terminate the Joint Venture's existence;
- (vii) incur indebtedness of any kind in excess of \$500,000;
- (viii) approve any expenditure for any items that individually or in the aggregate exceed \$50,000 and are not in the then-current operating or capital budget;
- (ix) confess a judgment against the Joint Venture;
- (x) Except as set forth in this Agreement, enter into any contract with a Party or affiliate of a Party on terms and conditions that are not reasonable and customary and at a market rate;
- (xi) any material modification, change or amendment to this Schedule "A" or any agreement or arrangement which is the subject of the matters referred to in any provision of this Schedule "A";
- (xii) do any other act that would make it impossible to carry on the ordinary business of the Joint Venture.

SCHEDULE "B"

LICENSED TECHNOLOGY

[excel patent summary spreadsheet shall be appended]

SCHEDULE "C"
LICENSE AGREEMENT

SCHEDULE "D"

LEASE