

**GAIA GROW CORP.**

**- and -**

**ENAGON INC.**

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**MILLING AGREEMENT**

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**April 3, 2020**

## MILLING AGREEMENT

THIS MILLING AGREEMENT is made as of April 3, 2020 (the “**Execution Date**”)

### **BETWEEN:**

**GAIA GROW CORP.**, a corporation existing under the laws of the Province of British Columbia (“**Gaia**”)

- and -

**ENAGON INC.**, a corporation existing under the laws of the Province of Alberta (the “**Processor**”)

**WHEREAS** the Parties have previously entered into a letter of intent (the “**LOI**”) effective as of January 29, 2020;

**AND WHEREAS** in connection with entering into this Agreement, the Parties have entered into an offtake agreement dated as of April 3, 2020.

**AND WHEREAS** the Processor is engaged in: (a) the separation of hemp plants into various component parts, such as stalks, seeds, branches, leaves and flower; and (b) the milling of the hemp flower and leaves into a form that can be sold to cannabis processors licenced pursuant to the *Cannabis Act* (Canada);

**AND WHEREAS** Gaia is engaged, inter alia, in the business of the cultivation of hemp and is desirous of engaging the Processor to provide hemp separation and milling services and the Processor is desirous of providing such services to Gaia.

**NOW THEREFORE THIS AGREEMENT WITNESSES THAT** for good and valuable consideration (the receipt and sufficiency of which are hereby conclusively acknowledged), the Parties hereby agree as follows:

### **ARTICLE 1** **INTERPRETATION**

#### **1.1 Defined Terms**

In this Agreement, the following terms shall have the respective meanings set out below and grammatical variations of such terms shall have the corresponding meanings:

- (a) “**Applicable Law**” means (a) any domestic or foreign statute, law (including common and civil law), treaty, code, ordinance, rule, regulation or by-law (zoning or otherwise); (b) any judgement, order, writ, injunction, decision, ruling, decree or award; (c) any regulatory policy, practice, protocol, guideline or directive; or (d) any franchise, licence, qualification, authorization, consent, exemption, waiver, right, permit or other approval, in each case, of any Governmental Authority and having the force of law, binding on or affecting the Party referred to in the context in which the term is used or binding on or affecting the property of such Party, all of the foregoing as may exist as of the Execution Date or as may be implemented, revised or modified from time to time after the Execution Date;

- (b) **“Confidential Information”** means any information that is treated as confidential by a Party, including, without limitation, trade secrets, technology, information pertaining to business operations and strategies, and information pertaining to customers, pricing, and marketing. Confidential Information shall not include information that: (a) is already known to the Receiving Party without restriction on use or disclosure prior to receipt of such information from the Disclosing Party; (b) is or becomes generally known by the public other than by breach of this Agreement by, or other wrongful act of, the Receiving Party; (c) is developed by the Receiving Party independently of, and without reference to, any Confidential Information of the Disclosing Party; or (d) is received by the Receiving Party from a third party who is not under any obligation to the Disclosing Party to maintain the confidentiality of such information;
- (c) **“Deliver”** means, as the context requires, EXW delivery by Gaia of the Product to the premises of the Processor at 41101 Range Road 263, Lacombe County, Alberta, or such other location as is mutually agreed to by the Parties in writing, or delivery by the Processor of the Milled Product EXW to the same premises of the Processor and **“Delivery”** and **“Delivered”** shall have comparable meanings;
- (d) **“Disclosing Party”** means a Party that discloses Confidential Information under this Agreement;
- (e) **“EXW”** means Ex Works with the full meaning set out in Incoterms;
- (f) **“Governmental Authorities”** means any municipal, regional, provincial or federal governments and their agencies, authorities, branches, departments, commissions or boards, having or claiming jurisdiction over the Company and/or the Company’s assets, and **“Governmental Authority”** shall mean any one of the Governmental Authorities as the context requires;
- (g) **“Grant Date”** has the meaning set out in Section 2.3(b);
- (h) **“Incoterms”** means the Incoterms 2010, ICC Rules for the Use of Domestic and International Trade Terms, published by the International Chamber of Commerce, or as may be updated from time to time;
- (i) **“Indemnified Person”** has the meaning set out in Section 6.1;
- (j) **“Indemnifier”** has the meaning set out in Section 6.1;
- (k) **“Losses”** means damages, fines, penalties, deficiencies, losses, liabilities, including settlements and judgments, costs and expenses of any kind, character or description (including payments, refunds and delivery of additional goods and/or services, interest, reasonable fees and expenses of legal counsel, or other professionals);
- (l) **“Mediation Termination”** has the meaning set out in Section 8.1(b);
- (m) **“Milled Product”** means separated and milled Product, such that the stalks, branches, seeds, leaves and buds of the Product are separated from each other, with the stalks and branches bailed, the seeds separated and barreled and the buds and leaves milled and put into barrels or super-sacks for transportation and storage;
- (n) **“Milled Product Cost”** has the meaning set forth in Section 2.3;
- (o) **“Parties”** means Gaia and Processor collectively, and **“Party”** means either of them as the context requires;
- (p) **“Process”** means the milling of Product into Milled Product and **“Processing”** has a comparable meaning;

- (q) **“Product”** means hemp biomass provided in bales and packaged in bulk for transportation and storage;
- (r) **“Receiving Party”** means a Party that receives Confidential Information under this Agreement;
- (s) **“Revenue”** means gross revenue; and
- (t) **“Term”** has the meaning given in Section 5.1.

## **1.2 Rules of Construction**

In this Agreement:

- (a) the terms “Agreement”, “this Agreement”, “the Agreement”, “hereto”, “hereof”, “herein”, “hereby”, “hereunder” and similar expressions refer to this Agreement in its entirety and not to any particular provision hereof;
- (b) references to an “Article”, “Section” or “Schedule” followed by a number or letter refer to the specified Article or Section of or Schedule to this Agreement;
- (c) the division of this Agreement into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement;
- (d) words importing the singular number only shall include the plural and vice versa and words importing the masculine gender shall include the feminine and neuter genders and vice versa;
- (e) unless otherwise indicated, any reference to a statute, regulation or rule shall be construed to be a reference thereto as the same may from time to time be amended, re-enacted or replaced, and any reference to a statute shall include any regulations or rules made thereunder;
- (f) the words “include”, “includes” and “including” mean “include”, “includes” or “including”, in each case, “without limitation”;
- (g) reference to any agreement or other instrument in writing means such agreement or other instrument in writing as amended, modified, replaced or supplemented from time to time;
- (h) unless otherwise indicated, time periods within which a payment is to be made or any other action is to be taken hereunder shall be calculated excluding the day on which the period commences and including the day on which the period ends; and
- (i) whenever any payment to be made or action to be taken hereunder is required to be made or taken on a day other than a Business Day, such payment shall be made or action taken on the next following Business Day.

## **ARTICLE 2 PROCESSING SERVICES**

### **2.1 Milling Services**

- (a) Beginning on the Execution Date, from time to time Gaia shall Deliver Product subject to and in accordance with the provisions of this Agreement and Applicable Law. Delivery shall be made on a EXW (Processor’s facility) basis.

- (b) The Processor shall Process the Product Delivered by Gaia and shall Deliver the Milled Product as soon as commercially possible. Delivery shall be made on a EXW (Processor's facility) basis.
- (c) Gaia shall be responsible for the following costs and expenses:
- (i) Quality assurance prior to Delivery of Product to the Processor;
  - (ii) Delivery of Product to the Processor EXW (Processor's facility);
  - (iii) Purchase and installation of a bale breaking line and all required support equipment, as well as additional equipment as needed; and
  - (iv) Set-up and maintenance of a shop and yard at the Processor's facility in Lacombe, Alberta.
- (d) The Processor shall be responsible for the following costs and expenses:
- (i) All costs and expenses required to Process the Product into Milled Product; and
  - (ii) Delivery of Milled Product to Gaia EXW (Processor's facility).
- (e) The Processor is responsible for all of its employees, contractors and other personnel and for the payment of their compensation, including, if applicable, termination payments or entitlements and statutory withholdings and deductions, such as income tax, Canada Pension Plan, employment insurance, workers' compensation premiums and other payroll taxes.
- (f) The Processor acknowledges that time is of the essence with respect to its obligations hereunder and that prompt and timely performance of all such obligations is strictly required.

## **2.2 Exclusivity**

- (a) During the Term, subject to Section 7.2, the Processor shall not provide hemp or cannabis milling services of any nature or kind to any client other than Gaia or allow its facility located at 41101 Range Road 263, Lacombe County, Alberta to be used for any purpose without the prior consent of Gaia. In the event the Processor's facility is moved to a new location, this clause will apply to that new location.

## **2.3 Milling Costs**

- (a) As a fee for the milling the Product into Milled Product, the Processor shall be entitled to receive 30% of the Revenue generated from the sale of the Milled Product (the "**Milled Product Cost**"). The remaining 70% of the Revenue generated from the sale of the Milled Product shall be retained by Gaia.
- (b) The Processor shall also receive a special, one-time grant of options to purchase 100,000 common shares of Gaia. This award will be in accordance with the terms of the Gaia's Stock Option Plan. These options will be granted on upon the first Delivery of Milled Product under this Agreement (the "**Grant Date**"). The exercise price of the options will be \$0.10. These options will vest immediately upon their grant and will expire not later than two years from the Grant Date.

## **2.4 Delivery, Purchasing and Invoicing Process**

- (a) The Parties shall work together to set a mutually agreeable date for Delivery of an applicable shipment, however always within the parameters outlined in Section 2.1(b).
- (b) Upon Delivery of the Milled Product to Gaia, the Processor shall furnish an invoice to Gaia citing the lot numbers and details of the Milled Product, including a breakdown of the Milled Product suitable to

be sent to different purchasers, including licenced processors for production of hemp oil and distillates. The invoice shall set out that the Processor is entitled to 30% of the Revenue generated from the sale of the Milled Product.

(c) Upon sale by Gaia of the Milled Product, Gaia shall make payment of the Milled Product Cost, plus all applicable taxes, within 30 days. All payments shall be made in Canadian dollars in immediately available and freely transferable funds by means of electronic transfer to the account designated by the recipient.

(d) Each Party will charge, collect and timely remit all taxes that it is required to collect and remit under Applicable Law in connection with this Agreement.

### **ARTICLE 3** **RISK AND TITLE**

#### **3.1 Retention of Title and Passage of Risk**

(a) At all times, title to the Product that Gaia Delivers to the Processor for Processing shall remain with Gaia and the Processor acknowledges that the Processor shall have no right, title and interest in such Product.

(b) All risk of loss of or damage to the Product shall remain with Gaia until, and shall pass to the Processor when, the Product is Delivered to the Processor's loading dock. The Processor shall be committed to accept Delivery of the Product. Gaia shall notify the Processor in writing at such time as it has caused a shipment of Product to be sent to the Processor.

(c) The Processor shall at all times maintain the Products in its possession or control in accordance with the storage standards and handling procedures as specified by Gaia (and/or Governmental Authorities) from time to time.

(d) All risk of loss of or damage to the Milled Product shall remain with the Processor until, and shall pass to Gaia when, the Milled Product is Delivered to Processor's loading dock. Gaia shall be committed to accept Delivery of the Milled Product, subject to the terms and conditions of this Agreement.

#### **3.2 Warranties**

(a) The Processor warrants to Gaia that all Milled Product Delivered hereunder shall at the time of Delivery:

- (i) comply with all Applicable Laws;
- (ii) be free of any encumbrance;
- (iii) be of merchantable quality;
- (iv) be free of any material defect; and
- (v) be fit and safe for Gaia's use.

#### **3.3 Insurance**

Each Party shall self-insure.

**ARTICLE 4**  
**COVENANTS**

**4.1**            **Covenants of the Processor**

The Processor hereby covenants to Gaia, and acknowledges that Gaia is relying on such covenants in connection with entering into this Agreement, that:

(a)        the Processor is and shall remain during the Term a corporation validly subsisting under the laws of Alberta, licensed, registered or qualified as an extra-provincial or foreign corporation in all jurisdictions where the nature of the Processor's business make such licensing, registration or qualification necessary;

(b)        the Processor shall maintain all permits, certificates, licences, approvals, consents and other authorizations required to be obtained from the appropriate Governmental Authorities necessary to conduct its business and fulfil its obligations under this Agreement;

(c)        the Processor shall carry on its business, perform all operations and activities in connection with its business in a commercially reasonable manner and in compliance in all material respects with all Applicable Laws, in accordance with good manufacturing practices, in accordance with all material terms of any permits, certificates, licences, approvals, consents and other authorizations required to be obtained from Governmental Authorities and in a manner not materially inconsistent with accepted practice for comparable businesses in Canada; and

(d)        the Processor shall deliver to Gaia the Milled Product in accordance with the provisions of Section 2.4.

**ARTICLE 5**  
**TERM AND TERMINATION**

**5.1**            **Term.**

The term of this Agreement shall commence as of the Execution Date and shall continue thereafter, unless sooner terminated pursuant to Section 5.2, for an initial term of two (2) years and shall renew for subsequent twelve (12) month renewal terms unless either Party provides notice of non-renewal to the other Party not less than sixty (60) days prior to the expiry of the initial term or renewal term, in which case this Agreement shall expire at the end of the initial term or current renewal term, as the case may be. Notwithstanding the foregoing, if Gaia enters into a lease agreement for a facility that is used, or can be used, by the Processor to mill hemp, the end date of the term shall be extended to match the end of the lease term. The initial term of this Agreement together with all renewal terms as well as any extension related to the lease term noted above, is collectively referred to as the "**Term**".

**5.2**            **Termination**

(a)        Either Party may terminate this Agreement, effective upon written notice to the other Party (the "**Defaulting Party**"), if the Defaulting Party:

- (i)        materially breaches this Agreement, and such breach is incapable of cure, or with respect to a material breach capable of cure, the Defaulting Party does not cure such breach within thirty (30) days after receipt of written notice of such breach;
- or

- (ii) becomes insolvent or admits its inability to pay its debts generally as they become due; (ii) becomes subject, voluntarily or involuntarily, to any proceeding under any domestic or foreign bankruptcy or insolvency law, which is not fully stayed within seven business days or is not dismissed or vacated within 45 days after filing; (iii) is dissolved or liquidated or takes any corporate action for such purpose; (iv) makes a general assignment for the benefit of creditors; or (v) has a receiver, trustee, custodian or similar agent appointed by order of any court of competent jurisdiction to take charge of or sell any material portion of its property or business.
- (b) Upon termination or expiration of this Agreement for any reason:
- (i) the Processor shall complete the Processing and Delivery of any Products in its possession at the effective date of termination or expiration, in accordance with the terms of this Agreement;
  - (ii) Gaia shall pay in accordance with the terms of this Agreement any outstanding Milled Product Costs, including any Milled Product Costs arising from the completion by the Process of Product in accordance with Section 5.2(b)(i);
  - (iii) each Party shall (i) return to the other Party all documents and tangible materials (and any copies) containing, reflecting, incorporating or based on the other Party's Confidential Information, (ii) permanently erase all of the other Party's Confidential Information from its computer systems and (iii) certify in writing to the other Party that it has complied with the requirements of this clause; and
  - (iv) the rights and obligations of the parties set forth in this Section 5.2(b) and Section 3.1, Section 3.2, Article 5, Article 6, Article 7, Article 8, 9.2, and any right or obligation of the Parties in this Agreement which, by its nature, should survive termination or expiration of this Agreement, will survive any such termination or expiration of this Agreement.

## **ARTICLE 6**

### **INDEMNIFICATION**

#### **6.1 General Mutual Indemnification**

(a) Each Party (the “**Indemnifier**”) indemnifies and agrees to save harmless the other Party and each of their Affiliates and each of their directors, officers and employees (the “**Indemnified Persons**”), from and against any and all Losses suffered or incurred by the Indemnified Persons or (if applicable) any of their affiliates, and its and their directors, officers and employees as a result of, on account of or by reason of any and all actions, causes of action, proceedings, claims or demands to the extent relating to, arising from or in connection with:

(b) a breach or non-fulfillment of any of Indemnifier's representations, warranties, conditions or covenants set forth in this Agreement;

(c) the negligence, wilful misconduct, fraud or dishonesty of the Indemnifier in connection with the performance of its obligations under this Agreement; or

(d) any failure by Indemnifier to comply with any Applicable Law.



**6.2 Third-Party Claim Indemnification Procedures**

If any Indemnified Person seeks indemnification hereunder in respect of any third-party claim, it shall promptly notify the Indemnifier in writing of any such claim and cooperate with the Indemnifier at the Indemnifier's sole cost and expense. The Indemnifier shall immediately take control of the defence and investigation of such claim and shall employ counsel of its choice to handle and defend the same, at the Indemnifier's sole cost and expense. The Indemnifier shall not settle any such claim in a manner that adversely affects the rights of the Indemnified Person without the Indemnified Person's prior written consent, which shall not be unreasonably withheld or delayed. The Indemnified Person's failure to perform any obligations under this Section 6.2 shall not relieve the Indemnifier of its obligations under this Section 6.2 except to the extent that the Indemnifier can demonstrate that it has been materially prejudiced as a result of such failure. The Indemnified Person may participate in and observe the proceedings at its own cost and expense.

**ARTICLE 7  
LIMITATION OF LIABILITY**

**7.1 Limitation of Liability.**

(a) **EXCEPT AS OTHERWISE PROVIDED IN SECTION 7.2, IN NO EVENT WILL EITHER PARTY BE LIABLE TO THE OTHER OR TO ANY THIRD PARTY FOR ANY LOSS OF USE, REVENUE OR PROFIT OR LOSS OF DATA OR FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, EXEMPLARY, SPECIAL, AGGRAVATED OR PUNITIVE DAMAGES WHETHER ARISING OUT OF BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, REGARDLESS OF WHETHER SUCH DAMAGE WAS FORESEEABLE AND WHETHER OR NOT SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.**

(b) **EXCEPT AS OTHERWISE PROVIDED IN SECTION 7.2, IN NO EVENT WILL EITHER PARTY'S LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, EXCEED THE AGGREGATE AMOUNTS PAID OR PAYABLE TO THE PROCESSOR IN THE 12 MONTH PERIOD PRECEDING THE EVENT GIVING RISE TO THE CLAIM.**

**7.2 Exclusions.**

The exclusions and limitations in Section 7.1(a) and Section 7.1(b) shall not apply to:

- (a) a Party's indemnification obligations under Article 6;
- (b) damages or other liabilities arising out of or relating to a Party's gross negligence, wilful misconduct or intentional acts; or
- (c) death or bodily injury or damage to real or tangible personal property resulting from a Party's negligent acts or omissions.

**ARTICLE 8**  
**DISPUTE RESOLUTION**

**8.1 Dispute Resolution and Escalation**

Any disagreement that arises between the Parties with respect to any issue or matter in connection with this Agreement (a “**Dispute**”) will be subject to the following dispute resolution procedure:

(a) Any Party may provide notice of a Dispute to the other Party and the Parties shall attempt to resolve any Dispute informally by meeting as often, for a duration and as promptly as the Parties deem necessary to discuss the Dispute and negotiate in good faith in an attempt to resolve the Dispute.

(b) If the Parties cannot resolve the Dispute within 10 business days of delivery of notice of Dispute, the Dispute will be referred to non-binding mediation. Each Party will work with the other to select an acceptable mediator and the appropriate rules of mediation, and to work with the mediator to resolve the Dispute. The mediations process shall continue until the Dispute is resolved or until either the mediator makes a finding that there is no possibility of settlement through the mediation or one of the Parties elects not to continue the mediation (“**Mediation Termination**”). The place of mediation shall be Calgary, Alberta and the language of the mediation shall be English.

(c) In the event of Mediation Termination, either Party may at any time thereafter, by written notice to the other Party, require that such Dispute be resolved on an expedited basis by arbitration before a mutually agreed upon single arbitrator. In the event that the Parties cannot agree on the appointment of an arbitrator, one will be appointed pursuant to the ADRIC Arbitration Rules (as amended, superseded or replaced from time to time) of the ADR Institute of Canada Inc.

(d) The arbitration will be conducted in Calgary, Alberta pursuant to the ADRIC Arbitration Rules (as amended, superseded or replaced from time to time) of the ADR Institute of Canada Inc. The arbitrator will issue an arbitral award within 15 business days following the date the matter was arbitrated, and any arbitral award will be final, conclusive and binding upon the Parties.

(e) Each Party shall bear its own costs of the arbitration including one-half of the fees and expenses of the arbitrator unless agreed otherwise as part of the arbitrated resolution. All non-legal costs of the arbitration shall be divided equally between the Parties involved in the Dispute.

(f) Notwithstanding anything to the contrary in this Article 8, nothing in this Agreement shall prevent any Party from applying to a court of competent jurisdiction for interim and/or interlocutory relief or other interim and/or interlocutory equitable relief pending final disposition of any Dispute.

**ARTICLE 9**  
**GENERAL**

**9.1 Notices**

Any notice, certificate, consent, determination or other communication required or permitted to be given or made under this Agreement shall be in writing and shall be given in writing and shall be given by actual delivery or by email to its address, address set out below, addressed to the recipient as follows:

(a) if to Gaia, at:

Suite 303, 750 West Pender Street  
Vancouver, British Columbia

V6C 2T7  
Attention: Frederick Pels  
Email: fp@gaiagrow.com

with a copy to:

Cassels Brock & Blackwell LLP  
Suite 2200, 885 West Georgia Street  
Vancouver, British Columbia

Attention: Sam Cole  
Email: samcole@cassels.com

(b) if to the Company, at:

Enagon Inc.  
RR4 Site 5 Box 21  
Lacombe, Alberta  
T4L2N4

Attention: Spencer Franklin Evernden  
Email: enagoninc@gmail.com

or to such other address or email address or individual as may be designated by notice given by any Party to the others. Any notice, certificate, consent, determination or other communication shall be effective, if delivered or emailed at or prior to 5:00 p.m. on any Business Day, when so delivered or emailed or, if delivered or emailed at any other time, on the next Business Day.

## **9.2 Confidentiality and Public Announcements**

(a) The Receiving Party agrees:

- (i) not to disclose or otherwise make available Confidential Information of the Disclosing Party to any third party without the prior written consent of the Disclosing Party; provided, however, that the Receiving Party may disclose the Confidential Information of the Disclosing Party to its and its affiliates' officers, directors, employees, consultants and legal advisors who have a "need to know", who have been apprised of this restriction and who are themselves bound by nondisclosure obligations at least as restrictive as those set forth in this Section 9.2;
- (ii) to use the Confidential Information of the Disclosing Party only for the purposes of performing its obligations under the Agreement or, in the case of Customer, to make use of the Services and Deliverables; and
- (iii) to immediately notify the Disclosing Party in the event it becomes aware of any loss or disclosure of any of the Confidential Information of Disclosing Party.

(b) If the Receiving Party becomes legally compelled to disclose any Confidential Information, the Receiving Party shall provide:

- (i) prompt written notice of such requirement so that the Disclosing Party may seek, at its sole cost and expense, a protective order or other remedy; and
- (ii) reasonable assistance, at the Disclosing Party's sole cost and expense, in opposing such disclosure or seeking a protective order or other limitations on disclosure.

If, after providing such notice and assistance as required herein, the Receiving Party remains required by Law to disclose any Confidential Information, the Receiving Party shall disclose no more than that portion of the Confidential Information which, on the advice of the Receiving Party's legal counsel, the Receiving Party is legally required to disclose.

(c) Each Party acknowledges that a breach by a Party of this Section 9.2 may cause the non-breaching Party irreparable damages, for which an award of damages would not be adequate compensation and agrees that, in the event of such breach or threatened breach, the non-breaching Party will be entitled to seek equitable relief, including a restraining order, injunctive relief, specific performance and any other relief that may be available from any court, in addition to any other remedy to which the non-breaching Party may be entitled at law or in equity. Such remedies shall not be deemed to be exclusive but shall be in addition to all other remedies available at law or in equity, subject to any express exclusions or limitations in this Agreement to the contrary.

(d) Except as required by Applicable Law (including the rules of any applicable stock exchange), neither Party shall issue or release any announcement, statement, press release or other publicity or marketing materials relating to this Agreement, or otherwise use the other Party's trademarks, service marks, trade names, logos, symbols or brand names, in each case, without the prior written consent of the other Party, which shall not be unreasonably withheld or delayed.

(e) The provisions of this Section 9.2 shall apply indefinitely.

### **9.3 Assignment**

This Agreement shall enure to the benefit of and be binding upon the Parties hereto and their respective successors and permitted assigns. Neither Party may assign, transfer or delegate any or all of its rights or obligations under this Agreement, without the prior written consent of the other Party, which consent shall not be unreasonably withheld or delayed; *provided that*, upon prior written notice to the other Party, either Party may assign the Agreement to an affiliate of such Party or to a successor of all or substantially all of the assets of such Party through merger, reorganization, consolidation or acquisition. No assignment shall relieve the assigning Party of any of its obligations hereunder. Any attempted assignment, transfer or other conveyance in violation of the foregoing shall be null and void.

### **9.4 Amendment; Waiver**

This Agreement may only be amended, modified or supplemented by an agreement in writing signed by each Party hereto. No waiver by any Party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the Party so waiving. Except as otherwise set forth in this Agreement, no failure to exercise, or delay in exercising, any rights, remedy, power or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

**9.5**            **Further Assurances**

Each of the Parties to this Agreement shall from time to time and at all times do all such further acts and execute and deliver all further agreements and documents as shall be reasonably required in order fully to perform and carry out the terms of this Agreement.

**9.6**            **Remedies**

Except as otherwise expressly provided herein, any and all remedies herein expressly conferred upon a Party will be deemed cumulative with and not exclusive of any other remedy conferred hereby, or by law or equity upon such Party, and the exercise by a Party of any one remedy will not preclude the exercise of any other remedy.

**9.7**            **Governing Law**

This Agreement shall be governed by and construed under the laws of the Province of Alberta and the Federal laws of Canada applicable therein.

**9.8**            **Counterparts**

This Agreement may be executed in one or more counterparts, and by the Parties in separate counterparts, each of which when executed shall be deemed to be an original, but all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Agreement by electronic means shall be effective as delivery of a manually executed counterpart of this Agreement.

**[SIGNATURE PAGE FOLLOWS]**

**IN WITNESS WHEREOF** the Parties hereto have executed this Agreement as of the Execution Date.

**GAIA GROW CORP.**

By:           /signed/ "Frederick Pels"            
Frederick Pels  
Chief Executive Officer

**ENAGON INC.**

By:           /signed/ "Gary Evernden"            
Name: Gary Evernden  
Title: President