

SHARE PURCHASE AGREEMENT

THIS AGREEMENT is made as of April 19, 2018.

BETWEEN:

BIO HARVEST LTD., an Israeli company having a business address of 3
Pekeris St. Rehovot 76702, Israel

("BioHarvest")

AND:

MIDNIGHT STAR VENTURES CORP., a British Columbia company,
having an office at 555 Burrard Street Suite 1085, Two Bentall Centre, PO
Box 201 Vancouver, British Columbia V7X 1M8

("STV")

INTRODUCTION

- A. BioHarvest owns all of the issued and outstanding share capital of Dolarin Ltd., an Israeli company ("Company");
- B. BioHarvest wishes to sell to STV, and STV wishes to purchase from BioHarvest, at the Closing Time, the entire issued share capital of the Company, all upon and subject to the terms and conditions of this Agreement (the "Share Purchase");
- C. STV is a reporting issuer listed on the CSE (as defined herein);
- D. In consideration for the Share Purchase, STV will issue shares of its share capital in favour of BioHarvest; and
- E. STV intends the Share Purchase and the related transactions contemplated by this Agreement to constitute a "Fundamental Transaction" under the policies of the CSE.

TERMS OF AGREEMENT


In consideration of, among other things, the mutual promises contained in this Agreement, the Parties agree:

1. DEFINITIONS AND INTERPRETATIONS

1.1 Definitions

Terms capitalized but not defined herein shall have the meanings ascribed thereto in the License Agreement. Unless the context otherwise requires, in this Agreement:

- (1) "Acquired Shares" has the meaning given in section 2;
- (2) "Agreement" means this document, including any schedule or annex to it;
- (3) "Business Day" means a day that is not a Friday, Saturday, Sunday nor any other day which is a statutory holiday or a bank holiday in Tel-Aviv-Jaffa, Israel or in British Columbia, Canada;

- (4) "Closing" means completion of the transactions contemplated by Sections 2 and 3 of this Agreement, which shall take place at the Closing Time;
- (5) "Closing Time" has the meaning given in section 10.1 or such other time agreed between the Parties under section 10.1;
- (6) "Closing Date" has the meaning given in section 10.1;
- (7) "Consideration Shares" has the meaning given in section 3.1;
- (8) "Convertible Securities" has the meaning given in Schedule 2.
- (9) "CSE" means the Canadian Securities Exchange;
- (10) "Effective Date" means the date of this Agreement;
- (11) "Escrow Agreement" has the meaning given in Section 3.2;
- (12) "ESOP Shares" has the meaning given in Section 3.4.
- (13) "Governmental Authority" means any foreign, domestic, national, federal, provincial, territorial, state, regional, municipal or local government or authority, quasi government authority, fiscal or judicial body, government or self-regulatory organization, commission, board, tribunal, organization, or any regulatory, administrative or other agency, or any political or other subdivision, department, or branch of any of the foregoing;
- (14) "Investors Warrants" has the meaning given in Section 8.4(a).
- (15) "issued and outstanding share capital" means, as of a certain time, the number of STV Shares issued and outstanding as of the time of applicable calculation, treating for this purpose as outstanding any shares issuable under then outstanding or promised convertible rights (such as the outstanding broker warrants previously issued by STV and the broker warrants that are to be issued by STV), as if such shares are issued and outstanding but not including the Investors Warrants and the ESOP Shares. 
- (16) "IFRS" means International Financial Reporting Standards, applied consistently. Accounting principles are applied on a "consistent basis" when the accounting principles applied in a current period are comparable in all material respects to those accounting principles applied in a preceding period.
- (17) "Liability" means:
- (a) any debt, obligation, liability, loss, expense, cost or damage of any kind and however arising, including penalties, fines and interest and including those which are prospective or contingent and those the amount of which is not ascertained or ascertainable; and
 - (b) a demand, claim, action or proceeding however arising and whether present, unascertained, immediate, future or contingent;
- (18) "License Agreement" has the meaning ascribed to it in Section 3 of Schedule 1;
- (19) "Material Adverse Effect" means any material and adverse effect on the assets, properties, conditions (financial or otherwise), operating results or business of STV as currently conducted and as currently proposed to be conducted (which business are the

Cannabis Business only), or on the ability of STV to perform its obligations under this Agreement or the other Transaction Documents, or on the rights and benefits to which BioHarvest is entitled under this Agreement or the other Transaction Documents;

- (20) **"Material Breach"** means a breach of a Warranty made by STV to BioHarvest, if such breach causes or could reasonably cause a Material Adverse Effect on STV, any Subsidiary, BioHarvest or on the economic benefits arising or that could reasonably arise to Bioharvest out of the transactions contemplated by this Agreement or any of the other Transaction Documents, or if such breach results from STV's or any Subsidiary's fraud or intentional or willful misrepresentation, misconduct or breach;
- (21) **"Notice"** or **"notice"** has the meaning given in section 14.4;
- (22) **"Options"** has the meaning given in Schedule 2.
- (23) **"Parties"** means BioHarvest and STV and a **"Party"** means either BioHarvest or STV, as the context dictates;
- (24) **"Services Agreement"** has the meaning given in Section **Error! Reference source not found.**3 of Schedule 1;
- (25) **"STV Meeting"** means the annual and special meeting of holders of STV Shares, or a written consent of the majority of holders of STV Shares if such consent is sufficient under applicable law, to approve, among other things, the STV Meeting Matters;
- (26) **"STV Meeting Matters"** means the following matters; (i) the approval of the transactions contemplated under the Transaction Documents as Fundamental Transaction; (ii) the election of the directors set out in Section 3.3; (iii) the amendment of the Articles and bylaws of STV in forms reasonably agreed upon by the Parties and to change its name to such name as reasonably agreed upon by the parties or such similar name as may be accepted by the relevant regulatory authorities and approved by the board of directors and shareholders of STV; (iv) the approval of a reservation of the number of STV Shares set forth in Section 3.4 for issuance under the Incentive Stock Plan; (v) change of registered office of STV as reasonably agreed upon by the Parties; and (iv) such other special business as may be properly brought before the STV Meeting or any postponement or adjournment thereof;
- (27) **"STV Shares"** means the common shares of STV, of no par value;
- (28) **"Subsidiary"** means any subsidiary of STV (if any);
- (29) **"Transaction Documents"** means:
 - (a) this Agreement;
 - (b) subject to Section **Error! Reference source not found.**, the Escrow Agreement;
 - (c) any document the Parties enter into pursuant to or arising out of this Agreement; and
 - (d) each document that the Parties agree to be a Transaction Document.
- (30) **"Warranty"** means with respect to each Party, any representation, warranty, undertaking and other obligation of such Party of whatever kind contained in this Agreement (including those set out in Schedule 1 or Schedule 2, as the case may be).

1.2 Interpretation

Unless the context otherwise requires, in this Agreement:

- (1) the singular includes the plural and conversely, a gender includes all genders and if a word or phrase is defined, its other grammatical forms have a corresponding meaning;
- (2) a reference to a person, corporation, trust, partnership, joint venture, unincorporated body or other entity includes any of them;
- (3) a reference to a party to this Agreement or another agreement or document includes the party's successors and permitted substitutes (including persons taking by novation) or assigns (and, where applicable, the party's legal personal representatives);
- (4) a reference to writing includes a facsimile or electronic mail transmission and any means of reproducing words in a tangible and permanently visible form;
- (5) a reference to "dollars" and "\$" is to United States currency, unless otherwise indicated;
- (6) the word "including" means "including without limitation" and "include" and "includes" will be construed similarly; the words "herein", "hereof" and "hereunder", and words of similar import, shall be construed to refer to this Agreement in its entirety, and not to any particular provision hereof, and all references herein to sections shall be construed to refer to sections to this Agreement;
- (7) a reference to "lien" shall include any mortgage, pledge, hypothecation, assignment, deposit arrangement, security interest, loan, tax lien, financing statement, charge, deed of trust, or other lien, easement, encumbrance, preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever (including, without limitation, any conditional sale or other title retention agreement having substantially the same economic effect as any of the foregoing);
- (8) headings and any table of contents or index are for convenience only and do not form part of this Agreement or affect its interpretation;
- (9) if an act must be done or a deadline falls on a specified day which is not a Business Day, it must be done or it shall fall (as applicable) instead on the next Business Day;
- (10) a reference to anything (including a right, obligation or concept) includes a part of that thing, but nothing in this section 1.2(10) implies that performance of part of an obligation constitutes performance of the obligation;
- (11) All numbers of STV Shares set forth in this Agreement shall be adjusted for any dividend, stock split, reverse stock split, split-up or other distribution on STV Shares occurring after the date hereof.

2. SHARE PURCHASE

Subject to the terms and conditions of this Agreement, at the Closing Time, BioHarvest shall sell and transfer to STV, and STV shall purchase and acquire from BioHarvest, all of the issued and outstanding share capital of the Company, being 1,000,000 ordinary shares of no nominal value (the "Acquired Shares"), free and clear of any and all liens, rights of third parties and demands of whatsoever nature.

3. CONSIDERATION FOR SHARE PURCHASE

3.1 Issuance of Consideration Shares

- (a) In consideration for the Acquired Shares, at the Closing Time, STV shall issue to BioHarvest such number of STV Shares constituting 50% of the issued and outstanding share capital of STV as of immediately following the Closing Time as fully-paid and non-assessable shares (the "Consideration Shares").
- (b) All references to the number of STV Shares, STV Units (as defined in section 8.4(a) below), Consideration Shares and Investors Warrants and the purchase and exercise price therefor shall be proportionally adjusted to reflect any stock split, stock dividend or other change in the shares of STV which may be made after the date of this Agreement.

3.2 Escrow and Resale Restrictions

BioHarvest acknowledges that the Consideration Shares may be subject to escrow and resale restrictions pursuant to applicable securities laws and pursuant to the rules and policies of the CSE. In the event the CSE or applicable securities laws require an escrowing of the Consideration Shares, BioHarvest and its principals, if requested, shall enter into the Escrow Agreement with STV, BioHarvest as holder of the Consideration Shares, and National Issuer Services Ltd., as escrow agent (the "Escrow Agent"). BioHarvest agrees that STV shall be responsible for negotiating applicable escrow and resale restrictions applicable to the Consideration Shares with the CSE, and STV agrees to use its reasonable commercial efforts to ensure such escrow and resale restrictions are as limited as practical.

3.3 Reconstitution of the Board of Directors of STV; Pre-Approval of STV's Chief Financial Officer

- (1) At Closing, STV will cause its board of directors to be comprised of up to four directors and to have certain of the current directors and officers tender their resignation such that on Closing, one half of the board of directors of STV will be comprised of appointees of STV, and the other half of the board of directors shall be comprised of appointees of BioHarvest, provided that the composition of such board of directors complies with the policies of the CSE and all applicable laws in Canada but in any event on Closing half of the board of directors of STV will be appointees of BioHarvest. Following the Closing, STV shall hold a special meeting of holders of STV Shares to increase the number of directors serving on its board of directors to six, half of whom to be appointed by BioHarvest.
- (2) STV shall procure and maintain at all times during which a BioHarvest's appointee serves a member of the board of directors of STV, a directors and officers liability insurance policy in an amount reasonably sufficient to insure the risks associated with the business affairs of STV.
- (3) Unless otherwise agreed between the Parties, the board of directors of any Subsidiary of STV shall be comprised of four directors, two of which will be appointees of STV (who are not appointees of BioHarvest) and the other two shall be appointees of BioHarvest.
- (4) The respective Chief Financial Officer of STV and of any Subsidiary must be the candidate nominated by the directors of STV who are appointees of STV and further pre-approved by BioHarvest, such approval not to be unreasonably withheld or delayed.

3.4 Stock Options

At the Closing, STV will adopt the Incentive Stock Plan in a form to be provided by BioHarvest ("**Incentive Stock Plan**"), reserve such number of STV Shares for issuance under such Incentive Stock Plan calculated as set forth in the immediately succeeding paragraph ("**ESOP Shares**"), and have it filed with the Israeli Income Tax Authorities. On the 40th day following the Closing Time, STV shall grant to the individuals (and in the proportions) listed on Schedule 3.4 incentive stock options to acquire the ESOP Shares ("**Stock Options**").

The ESOP Shares shall constitute 10% of the issued and outstanding share capital of STV as of immediately following the Closing and the reservation thereof. The Stock Options shall vest over, and be exercisable, through the periods set forth in Schedule 3.4, at the exercise price (subject to applicable law and CSE rules) equal to the greater of: (i) closing price of the STV Shares on the CSE on the business day immediately preceding the day on which the Stock Option is granted; and (ii) closing price on the day on which the Stock Option is granted.

3.5 Pre-emptive Right

From and after Closing, BioHarvest will have the right to participate, on a pro rata basis, in order to maintain its equity holding percentage of STV, in any subsequent issuances by STV of shares or other equity securities or securities convertible into shares or other equity securities, other than Exempted Issuances ("**Offered Securities**"). For the purposes hereof, "**Exempted Issuances**" means: (i) securities issued upon the conversion (or exercise) of any Options to purchase 205,780 STV Shares that are outstanding as of the Closing Time; (ii) STV Shares issuable to all shareholders on a pro-rata basis upon any share dividend or like transaction; (iii) STV Shares (or Options to purchase STV Shares) issued or issuable to employees, directors or consultants of STV or of the Company or of BioHarvest pursuant to the Incentive Stock Plan, (iv) STV Shares issued upon exercise of the Investors Warrants or (v) securities which issuance is excluded from the provisions of this Section 3.5 by the prior written consent of BioHarvest. Accordingly, each time STV intends to issue any such Offered Securities, STV will first offer such Offered Securities to BioHarvest by notice given to BioHarvest of STV's intention to issue such Offered Securities and the number and class or rights, privileges, or type of equity security thereof to be so issued, and the date designated for the issuance of all such Offered Securities. BioHarvest will have the right to purchase the Offered Securities so offered *pro rata* based upon the ratio that total number of shares (or shares issuable under equity securities or convertible securities) beneficially owned by BioHarvest at the date notice is given, bears to the total number of STV Shares then issued and outstanding. BioHarvest will have 20 Business Days from the date such notice is given to inform STV of its election to exercise such pre-emptive right with respect to all or any portion of its aforesaid pro-rata portion (as well as with respect to any number of Offered Securities not subscribed for by other parties). The closing of such purchase and sale of Offered Securities by BioHarvest shall take place as part of the issuance and sale of the Offered Securities so offered. If BioHarvest refuses the offer to purchase or does not execute its abovementioned right to purchase, within such 20 Business Days period, it shall be deemed to have waived its pre-emptive right hereunder with respect to the Offered Securities so offered, and STV may sell such Offered Securities to other parties during the 90 days period following the aforesaid offer date by STV, provided that any offer of such Offered Securities following the expiration of such 90-day period, or any offer of any Offered Securities at any time, shall again be subject to the right of BioHarvest under this Section 3.5.

4. WARRANTIES OF BIOHARVEST

4.1 Warranties

BioHarvest represents and warrants to STV that except as provided in this Agreement, each of the statements made in Schedule 1 is correct in all material respects as of the date of this Agreement and as of the Closing Date.

4.2 When Warranties Given

Each of the representations and warranties given under section 4.1:

- (1) is given as at the Effective Date and as at the time immediately before Closing; and
- (2) will, subject to section 4.3(1), remain in full force and effect during the 12-month period after the Closing Date despite Closing.

4.3 Conditions of Payment and Claims for Breach

Despite any other provision of this Agreement, each of the following applies in respect of this Agreement, provided, however, that no limitation under this Agreement shall apply with respect to BioHarvest's fraud or intentional or willful misrepresentation, misconduct or breach:

- (1) **(Notice of Claims)** BioHarvest is not liable to make any payment (whether by way of damages or otherwise) under or for any breach of any Warranty unless a claim is made in writing by STV against BioHarvest (setting out full details including details of the fact, circumstance or matter giving rise to the breach, the nature of the breach and STV's calculation of the loss suffered) within a reasonable time after STV becomes aware of the fact, circumstance or matter on which the claim is based and, in any event, on or before the date 12 months after the Closing Date;
- (2) **(Change in law or interpretation)** BioHarvest will not be liable to make any payment (whether by way of damages or otherwise) for any breach of any Warranty:
 - (a) where the breach is as a result of any legislation in any jurisdiction not in force at the Effective Date including legislation which takes effect retrospectively;
 - (b) where the breach is as a result of or in respect of a change in the judicial interpretation of the law in any jurisdiction after the Effective Date; or
 - (c) where the breach is as a result of or in respect of a change in the administrative practice of any Governmental Authority after the Effective Date including any change which takes effect retrospectively.

4.4 Acknowledgments

STV acknowledges and agrees that:

- (1) except as expressly set out in this Agreement and in the other Transaction Documents, neither BioHarvest nor any person acting on behalf of or associated with BioHarvest has made any representation, given any advice or given any warranty or undertaking, promise or forecast of any kind in relation to this Agreement or any other Transaction Documents or any of the transactions contemplated hereby or thereby;
- (2) without limiting section 4.4(1), no representation, no advice, no warranty, no undertaking, no promise and no forecast is given by or on behalf of BioHarvest in relation to:
 - (a) any economic, fiscal or other interpretations or evaluations by Bioharvest or any person acting on behalf of or associated with Bioharvest or any other person; or
 - (b) future matters, including future or forecast costs, prices, prospects, revenues or profits;

- (3) without limiting sections 4.4(1) or 4.4(2), and except for the statements made in Schedule 1, no statement or representation:
- (a) has induced or influenced STV to enter into this Agreement or agree to any or all of its terms;
 - (b) has been relied on in any way as being accurate by STV;
 - (c) has been warranted to STV as being true; or
 - (d) has been taken into account by STV as being important to STV's decision to enter into this Agreement or agree to any or all of its terms.

5. WARRANTIES OF STV

5.1 Warranties

STV represents and warrants to BioHarvest that except as provided in this Agreement, each of the statements made in Schedule 2 is correct in all material respects as of the date of this Agreement and as of the Closing Date.

5.2 When Warranties Given

Each of the representations and warranties given under section 5.1:

- (1) is given as at the Effective Date and as at the time immediately before Closing; and
- (2) will, subject to section 5.3(1), remain in full force and effect during the 12-month period after the Closing Date despite Closing save for the representations and warranties set forth in Sections 1 to 8 of Schedule 2 attached hereto (the "**Fundamental Representations**") which shall survive the Closing without time limit.

5.3 Conditions of Payment and Claims for Breach

Despite any other provision of this Agreement, each of the following applies in respect of this Agreement, provided, however, that no limitation under this Agreement shall apply with respect to STV's fraud or intentional or willful misrepresentation, misconduct or breach:

- (1) (**Notice of Claims**) STV is not liable to make any payment (whether by way of damages or otherwise) under or for any breach of any Warranty unless a claim is made in writing by BioHarvest against STV (setting out details of the fact, circumstance or matter giving rise to the breach, the nature of the breach and BioHarvest's calculation of the loss suffered) within a reasonable time after BioHarvest becomes aware of the fact, circumstance or matter on which the claim is based and, in any event, on or before the date 12 months after the Closing Date save for claims based on Fundamental Representations for which claims can be made without time limit;
- (2) (**Change in law or interpretation**) STV will not be liable to make any payment (whether by way of damages or otherwise) for any breach of any Warranty:
 - (a) where the breach is as a result of any legislation in any jurisdiction not in force at the Effective Date including legislation which takes effect retrospectively;
 - (b) where the breach is as a result of or in respect of a change in the judicial interpretation of the law in any jurisdiction after the Effective Date; or

- (c) where the breach is as a result of or in respect of a change in the administrative practice of any Governmental Authority after the Effective Date including any change which takes effect retrospectively.

5.4 Acknowledgments

BioHarvest acknowledges and agrees that:

- (1) Except as expressly set out in this Agreement and other Transaction Documents, no representation, no advice, no warranty, no undertaking, no promise and no forecast is given by or on behalf of STV in relation to
 - (a) any economic, fiscal or other interpretations or evaluations by STV or any person acting on behalf of or associated with STV or any other person; or
 - (b) future matters, including future or forecast costs, prices, prospects, revenues or profits.
- (2) without limiting section 5.4(1), and except for the statements made in Schedule 2, no statement or representation:
 - (a) has induced or influenced BioHarvest to enter into this Agreement or agree to any or all of its terms;
 - (b) has been relied on in any way as being accurate by BioHarvest;
 - (c) has been warranted to BioHarvest as being true; or
 - (d) has been taken into account by BioHarvest as being important for BioHarvest's decision to enter into this Agreement or agree to any or all of its terms.

5.5 Other Remedy

Without limiting its right to indemnification pursuant to this Section 5, the Parties recognize that BioHarvest has the right and is entitled to elect to terminate the License Agreement in accordance with section 8.3 thereof, upon a Material Breach.

6. CONDITIONS PRECEDENT TO THE OBLIGATIONS OF THE PARTIES

6.1 Conditions Precedent

The respective obligations of the Parties to complete the transactions contemplated by this Agreement are subject to the fulfillment of the following conditions at or before Closing:

- (1) there will not exist any prohibition at law, including a cease trade order, injunction or other prohibition or order under any applicable legislation, or any pending or threatened suit, action or proceeding before any court or Governmental Authority, agency or tribunal, domestic or foreign, whether against BioHarvest or STV which will prevent consummation of the transactions contemplated by this Agreement or the other Transaction Documents;
- (2) this Agreement will not have been terminated; and

- (3) any required regulatory, corporate and third party approvals, and the specific CSE approvals of the issuance and listing of the Consideration Shares, subject only to such conditions, including the filing of ordinary course documentation, as are acceptable to STV and BioHarvest, acting reasonably, will have been received.

The foregoing conditions precedent are for the mutual benefit of the Parties and may be waived, in whole or in part, at any time before Closing if waived by both Parties, such waiver being without prejudice to any other rights that each Party may have.

6.2 Merger of Conditions

The conditions in sections 6.1, 7.1 and 8.1 will be conclusively deemed to have been satisfied, waived or released at Closing as contemplated herein.

7. CONDITIONS PRECEDENT TO THE OBLIGATIONS OF STV

7.1 Conditions Precedent

All obligations of STV under this Agreement are subject to the fulfilment, at or before Closing, of the conditions contained in sections 7.2 through 7.5.

7.2 BioHarvest Representations and Warranties

BioHarvest's representations and warranties contained in this Agreement will be true as of the date hereof and as of the Closing Date.

7.3 BioHarvest Covenants

BioHarvest will have performed and complied with all agreements, covenants and conditions required by this Agreement to be performed or complied with by it at or before Closing.

7.4 Approval

BioHarvest shall have furnished STV with a certified (by the chairman of its board of directors) copy of the resolutions of the board of directors of BioHarvest approving this Agreement and the other Transaction Documents and the consummation of the transactions contemplated herein and therein; and BioHarvest shall have furnished to STV all regulatory and third party approvals, authorizations and consents, if any, as are required to be obtained by BioHarvest in connection with the contemplated transaction.

7.5 Services Agreement; License Agreement

Services Agreement and License Agreement shall have been in full force and effect on the Closing Date; since the date of this Agreement and until the Closing, there will not have occurred any event, change, effect, condition or circumstance that, when taken individually or together with any other events, changes, conditions, circumstances or effects, is, or is reasonably likely to, materially adversely effect BioHarvest's ability to perform its obligations under the Services Agreement and/or the License Agreement.

7.6 Waiver by STV

Each of the conditions in sections 7.2 through 7.5 is for the exclusive benefit of STV and any such condition may be waived in whole or in part by STV at or before Closing by delivering to BioHarvest a written waiver to that effect signed by STV, such waiver being without prejudice to any other rights that STV may have.

8. CONDITIONS PRECEDENT TO THE OBLIGATIONS OF BioHARVEST

8.1 Conditions Precedent

All obligations of BioHarvest under this Agreement are subject to the fulfilment, at or before Closing, of the conditions in sections 8.2 through 8.10.

8.2 STV Representations and Warranties

STV's representations and warranties contained in this Agreement will be true as of the date of this Agreement and as of the Closing Date.

8.3 STV Covenants

STV will have performed and complied with all agreements, covenants and conditions required by this Agreement to be performed or complied with by it at or before Closing.

8.4 Private Placement and Minimum Funds of STV

(a) The raising by STV of the Net Cash Amount shall be made by way of a private placement of an amount of CAN\$ 3,300,000, which shall be closed prior to the Closing ("**Fund Raising**"). All such Fund Raising is to be made against issuance by STV of units (the "**STV Unit**") at price of CAN\$ 0.15 per STV Unit, subject to applicable CSE Policy. Each of the STV Units will be comprised of one STV Share and one common share purchase warrant (the "**Investors Warrants**"). Each Investors Warrant will entitle the holder thereof to purchase one STV Share at a price of CAN\$0.23 per STV Share during the 24-month period following the Closing. The aggregate exercise price of all Investors Warrants shall not exceed an amount in CAN\$ equivalent to US\$4,000,000 based on the most recent daily rate of exchange of the US\$ into CAN\$ last published by the Bank of Canada and known as of the Closing Time.

(b) It is a condition precedent to the obligations of BioHarvest under this Agreement and the other Transaction Documents that, at Closing, STV has in its bank account a minimum net cash amount of US\$2,000,000 (whether consisted of US\$ or of the CAN\$ equivalent thereof based on the most recent daily rate of exchange of the US\$ into CAN\$ last published by the Bank of Canada and known as of the Closing Time) (the "**Net Cash Amount**") in available, unrestricted, undesignated and unencumbered funds committed solely for (i) transfer (through the Company) to BioHarvest in accordance with the Services Agreement and the License Agreement, and (ii) the ongoing reasonable costs and expenses associated with operating STV as a reporting issuer listed on the CSE. For the purposes hereof, the Net Cash Amount shall be calculated after the payment (or net of amounts designated for payment) of all costs and expenses associated with this Agreement, the other Transactions Documents and the transactions hereunder and thereunder.

STV (i) shall transfer to the Company the funds out of Net Cash Amount as necessary to enable the Company to fulfill its obligations under the License Agreement and the Services Agreement, and (ii) shall have the Company complying with such obligations and transferring such applicable amounts to BioHarvest, in each case, in quarterly advance installments, each by not later than 15 days prior to the commencement of the quarter to which it applies, in accordance with the budget attached as Appendix A2 to the Services Agreement. STV shall have the Company transfer the first installment of such funds to BioHarvest at the Closing.

8.5 Approval

STV shall have furnished BioHarvest with a certified (by the chairman of its board of directors) copy of each of (i) the articles of incorporation of STV; (ii) resolutions of the board of directors of STV approving this Agreement and the other Transaction Documents and the consummation of the

transactions contemplated herein and therein; and (iii) the special resolutions of shareholders of STV approving the STV Meeting Matters; and STV shall have furnished to BioHarvest all regulatory and third party approvals, authorizations and consents as are required to be obtained by STV in connection with the contemplated transaction, including the approval of the CSE and other applicable regulatory authorities.

8.6 Listing of Consideration Shares

The Consideration Shares to be issued pursuant to this Agreement shall have been conditionally approved for listing on the CSE, subject to standard conditions on the Closing Date or as soon as practicable thereafter. The distribution of Consideration Shares pursuant to this Agreement shall be exempt from the prospectus and registration requirements of applicable Canadian Securities Law either by virtue of exemptive relief from the securities regulatory authorities of each of the provinces of Canada or by virtue of applicable exemptions under Canadian Securities Laws and shall not be subject to resale restrictions under applicable Canadian Securities Laws (other than as applicable to control persons) or pursuant to section 2.6 of National Instrument 45-102 - *Resale of Securities of the Canadian Securities Administrators*. The Consideration Shares shall be issued as fully paid and non-assessable STV Shares, and, subject to any applicable escrow and resale restrictions pursuant to applicable securities laws and pursuant to the rules and policies of the CSE, shall be free and clear of any and all liens and demands of whatsoever nature.

8.7 Evaluation

STV shall have obtained an independent report setting forth the valuation of the Acquired Shares and of the Consideration Shares.

8.8 BioHarvest shall have completed its Due Diligence review of STV's business and legal affairs, to BioHarvest's sole satisfaction.

8.9 Reserved.

8.10 Material Adverse Effect

Since the date of this Agreement and until the Closing, STV has conducted its business in the ordinary course of business, consistent with recent practice and there will not have occurred any event, change, effect, condition or circumstance that, when taken individually or together with any other events, changes, conditions, circumstances or effects, is, or is reasonably likely to be, a Material Adverse Effect.

8.11 Waiver by BioHarvest

Each of the conditions in sections 8.2 through 8.10 is for the exclusive benefit of BioHarvest and any such condition may be waived in whole or part by BioHarvest at or before Closing by delivering to STV a written waiver to that effect signed by BioHarvest, such waiver being without prejudice to any other rights that BioHarvest may have.

9. PRE-CLOSING COVENANTS.

The Parties agree as follows with respect to the period between the execution of this Agreement and the Closing:

- (1) Each of the parties will use its commercially reasonable efforts in good faith to:
 - (i) take all action and to do all things necessary, proper or desirable, or advisable under applicable laws, in order to consummate and make effective the transactions

contemplated by this Agreement and the other Transaction Documents as promptly as practicable, and shall cooperate fully with the other party hereto to that end, unless such co-operation and/or efforts would subject such party to liability or would be in breach of applicable statutory or regulatory requirements;

- (ii) obtain all necessary consents, assignments or waivers from third parties and amendments or terminations to any instrument or agreement and take such other measures as may be necessary to fulfil its obligations under and to carry out the transactions contemplated by this Agreement and the other Transaction Documents;
 - (iii) conduct its affairs so that all of its representations and warranties contained herein shall be true and correct on and as of the Closing Date as if made on the Closing Date, except to the extent that such representations and warranties require modification to give effect to the transactions contemplated herein;
 - (iv) immediately notify the other party of any legal or governmental actions, suits, judgments, investigations, injunction, complaint, motion, regulatory investigation, regulatory proceeding or similar proceeding by any person, governmental entity or other regulatory body, whether actual or threatened, with respect to the transactions contemplated by this Agreement or the other Transaction Documents or which could otherwise delay or impede the transactions contemplated hereby or thereby;
 - (v) notify the other party immediately upon becoming aware that any of the representations and warranties of such party contained herein are no longer true and correct in any material respect;
 - (vi) cause each of the conditions precedent set forth in Section 6 and 7 or 8 (as applicable to the party that is to satisfy such conditions) to be complied with;
 - (vii) advise the other party if there are any circumstances, individually or in the aggregate, that may materially and adversely affect the transactions contemplated by this Agreement or the other Transaction Documents.
- (2) STV shall provide BioHarvest and its advisers with access to such information and records as BioHarvest shall reasonably require in order to carry out due diligence with respect to the affairs of STV and any Subsidiary (if any);
- (3) STV shall make necessary filings and applications under applicable federal and provincial laws and regulations required on the part of it in connection with the transactions contemplated by this Agreement and the other Transaction Documents, and take all reasonable action necessary to be in compliance with such laws and regulations;
- (4) if STV Meeting is required to be held, STV shall circulate to its shareholders materials required in connection with the STV Meeting in accordance with its constating documents and applicable laws as soon as reasonably practicable and use its commercially reasonable efforts to hold the STV Meeting by within 60 days following the date hereof;
- (5) STV shall not carry on or conduct, or agree to carry on or conduct, any business or transaction of any kind, other than repayment of its outstanding promissory notes in accordance with section 8.9 above.

10. CLOSING

10.1 Closing Date and Location

Unless this Agreement is earlier terminated in accordance with Section 11 below, the issuance of the Consideration Shares and the other transactions contemplated by this Agreement will be completed remotely via the exchange of documents and signatures, at 9:00am Eastern Standard Time ("**Closing Time**") on that date of satisfaction or waiver of all of the conditions precedent of the Parties to this Agreement as set forth in Sections 6 through 8 above ("**Closing Date**"), or on or at such other date, time or location as may be agreed upon in writing by the Parties; subject, in any event, to the satisfaction or waiver of the conditions precedent of the Parties to this Agreement as set forth in Sections 6 through 8 above.

10.2 Documents to be Delivered by STV

At Closing, STV will deliver or cause to be delivered to BioHarvest:

- (1) the certificate(s) representing the Consideration Shares, or if the Consideration Shares are issued electronically, an ownership statements or direct registration statements of the transfer agent of the STV, in both cases, evidencing the issuance of the Consideration Shares;
- (2) a share transfer deed whereby STV accepts the Acquired Shares to STV, duly executed by STV;
- (3) a duly executed legal opinion by Northwest Law Group, counsel to STV, in a form to be provided by BioHarvest and reasonably agreed upon by the Parties, addressed to BioHarvest and dated as of the Closing;
- (4) an Indemnification Agreement between STV and each BioHarvest Director executed by STV, in a form to be provided by BioHarvest and reasonably agreed upon by the Parties;
- (5) the Escrow Agreement executed by STV and National Issuer Services as escrow agent thereunder, if required;
- (6) STV's directors' and officers' insurance policy in a form and substance satisfactory to BioHarvest and a run-off insurance policy covering the officers and directors of STV during the period preceding the Closing;
- (7) appointment of BioHarvest's nominees to the boards of directors of STV in a form satisfactory to BioHarvest;
- (8) such other documents as may be reasonably requested by BioHarvest to give effect to the transactions contemplated by this Agreement.

10.3 Documents to be Delivered by BioHarvest

At Closing BioHarvest will deliver or cause to be delivered to STV:

- (1) a share transfer deed whereby BioHarvest transfers the Acquired Shares to STV, duly executed by BioHarvest;
- (2) a share certificate of the Company evidencing the Acquired Shares, in the name of STV, duly executed by the Company;

- (3) a copy of the shareholder register of the Company, evidencing the registration of STV as the holder of the Acquired Shares;
- (4) a copy of the Escrow Agreement executed by BioHarvest, if required; and
- (5) such other documents as may be reasonably requested by STV to give effect to the transactions contemplated by this Agreement.

11. TERMINATION

11.1 At any time prior to the Closing, this Agreement may be terminated, and the transactions contemplated hereby abandoned by authorized action taken by the terminating party as follows:

- (1) by mutual written consent duly authorized by STV and BioHarvest;
- (2) by either STV or BioHarvest if the Closing shall not have occurred on or before 11:00am (Eastern Standard Time) on the date that is 90 days after the date hereof (the "**Termination Time**"), provided however, that the right to terminate this Agreement under this Section 11 shall not be available to a party whose breach of this Agreement has been a primary cause of, or a primary factor resulting in, the failure of the Closing to have been consummated on or prior to the Termination Time;
- (3) by either STV or BioHarvest, if any permanent injunction or other order of a governmental entity of competent authority (including the British Columbia Securities Commission and/or CSE) preventing the consummation of the transactions contemplated by this Agreement shall have become final and nonappealable.

11.2 In the event of termination of this Agreement as provided in this Section 11, this Agreement shall forthwith become void and there shall be no Liability or obligation on the part of STV, BioHarvest, or their respective officers, directors, shareholders or affiliates; provided, however, that (i) the provisions of this Section 11.2 (Effect of Termination), Section 12 (Confidentiality), Section 13 (Public Announcements) and of Section 14 (General) and any related definitions shall remain in full force and effect and survive any termination of this Agreement and (ii) nothing herein shall relieve any party hereto from Liability in connection with any breach of such party's representations, warranties or covenants contained herein that occurred prior to the termination of this Agreement.

11.3 If either BioHarvest or STV shall determine at any time prior to the Termination Date that it intends to refuse to consummate contemplated transactions as per this Agreement because of any unfulfilled or unperformed condition contained in this Agreement to be fulfilled or performed by the other Party, BioHarvest or STV, as the case may be, shall so notify the other of them forthwith upon making such determination in order that such other of them shall have the right and opportunity to take such steps, at its own expense, as may be necessary for the purpose of fulfilling or performing such condition within a reasonable period of time, but in no event later than the Termination Time.

12. CONFIDENTIALITY

12.1 "**Confidential information**" means any information, documents or other materials in connection with this Agreement (or the transactions contemplated hereby or thereby) which BioHarvest or STV, as the case may be (the "**Disclosing Party**"), identifies or marks as confidential or proprietary at the time it is delivered to the other Party (the "**Receiving Party**") or is of such a nature as would be understood by a reasonable person to be confidential or proprietary. Any information related to the Technology or the Prosecution of Licensed Patent Rights shall be deemed as Confidential Information of BioHarvest. The terms of this Agreement constitute the Confidential Information of

both Parties. For the purposes of this Section 12, capitalized terms used but not defined in this Section 12 shall have the meanings ascribed thereto in the License Agreement.

12.2 The Receiving Party shall maintain in confidence and not disclose to any other party any Confidential Information of the Disclosing Party and shall not use any Confidential Information for any purpose other than for the purposes of the performance of this Agreement, and except when such disclosure is legally required. Each Party shall take all reasonable steps to protect the Confidential Information of the other Party with the same degree of care used to protect its own confidential or proprietary information. The Receiving Party shall ensure that its employees, consultants, contractors and agents have access to Confidential Information of the Disclosing Party only on a need-to-know basis and are bound by an obligation of confidentiality and restriction of use similar to the terms hereof, provided that in any event, the Receiving Party shall remain liable for any acts or omissions by its or its Affiliates' or employees, consultants, contractors and agents with respect to the Confidential Information of the Disclosing Party. The foregoing obligations shall not apply to information which the Receiving Party can prove to be:

- (a) information that is known to the Receiving Party or independently developed by the receiving Party prior to the time of disclosure without use of or reference to the other Party's Confidential Information, in each case, to the extent evidenced by contemporaneous written records;
- (b) information that is independently developed by the Receiving Party at or after the time of disclosure without use of or reference to the other Party's Confidential Information, to the extent evidenced by contemporaneous written records;
- (c) information disclosed to the Receiving Party by a Third Party that had a right to make such disclosure; or
- (d) information that is publicly disclosed at or prior to the time of disclosure hereunder or becomes patented, published or otherwise known to the general public as a result of rightful acts by any Person other than the Receiving Party, and except through breach of this Agreement by the receiving Party, its employees, agents, successors or assigns.

12.3 Permitted Disclosures. Notwithstanding Section 12.2, either Party may disclose Confidential Information of the other Party to such Party's Affiliates and (a) (i) solely the economic terms of this Agreement – to its and their prospective and actual acquirers, investors, lenders and underwriters in connection with such Party's or its Affiliates' financing activities; and (ii) such Party's employees, consultants, agents, and advisors; in each of clauses (i) and (ii), on a need to know basis and provided that each of the aforementioned parties, prior to disclosure, must be bound by written obligations of confidentiality and non-use of substantially equivalent or greater scope and duration than those set forth in this Section 12; and (b) its and their accountants and lawyers, on a need to know basis, each of whom prior to disclosure must be bound by written or legally enforceable professional ethical obligations of confidentiality and non-use of substantially equivalent or greater scope and duration than those set forth in this Section 12; provided that, the scope of Confidential Information that may be disclosed to any Person under this Section 12.3 is limited to the terms of this Agreement and any notices given hereunder and not any other Confidential Information of such other Party unless otherwise agreed to in writing by such other Party. In addition, notwithstanding Section 12.2, either Party may disclose Confidential Information of the other Party to the extent such disclosure is reasonably necessary in the following instances set forth below (in any such event, to the extent legally practicable, the receiving Party shall (i) give reasonable advance notice to the other Party of such disclosure; and (ii) take reasonable steps to avoid or minimize the scope of such disclosure by securing confidential treatment of such Confidential Information prior to its disclosure (whether through protective orders or otherwise):

- (a) prosecuting or defending litigation in accordance with this Agreement;

- (b) making filings with the British Columbia Securities Commission or any foreign equivalent, any stock exchange or market, or any regulatory authorities, which shall include publicly disclosing or filing this Agreement as a "material agreement" in accordance with applicable law or applicable stock exchange regulations; and
- (c) complying with applicable laws, rules, regulations or orders requiring submission of such information to governmental authorities, including disclosures ordered by regulatory authorities, courts of competent jurisdiction or other government authorities or agencies.
- (d) Furthermore, a disclosure by the Receiving Party of Confidential Information in response to a valid order by a court or other governmental body, or as otherwise required by law, and to such extent necessary, shall not be considered to be a breach of this Agreement, provided, however, that the Receiving Party shall provide the Disclosing Party with prompt prior written notice thereof to enable the Disclosing Party to seek a protective order or otherwise prevent or contest such disclosure.

12.4 In addition to and without derogating from the foregoing, STV shall not, and shall ensure that its Affiliates and Sublicensees shall not, use or register or make mention of the names or trademarks of BioHarvest, or any variation, adaptation or abbreviation thereof (alone or as part of another name), or of any scientists or other employees of BioHarvest, or any logos, seals, insignia or other words, names, symbols or devices that identify any of the foregoing, for any purpose except with the prior written approval of, and in accordance with restrictions required by, BioHarvest.

12.5 Neither the Closing nor any termination of this Agreement for whatever reason shall release the Parties from any of their obligations under this Section 12 and such obligations shall survive the Closing and any termination as aforesaid. From the Closing or termination of this Agreement for any reason, the Receiving Party shall cease to use any Confidential Information of the Disclosing Party, except for the sole purpose of monitoring its compliance with the terms of this Agreement.

The Parties acknowledge that a breach of this Section 12 may cause extensive and irreparable harm and damage, and agree that the appropriate party shall be entitled to injunctive relief to prevent use or disclosure of the Confidential Information not authorized by this Agreement, in addition to any other remedy available to that party under applicable law.

13. PUBLIC ANNOUNCEMENTS

No Party will make any public or press announcement or statement concerning this Agreement or Closing without the prior approval of the other Party (such approval not to be unreasonably withheld or delayed). The Parties must in good faith agree at or before Closing the form or forms of press announcement or public statements that they will each make, including any disclosure which is required pursuant to any applicable law, or to any regulatory body or Governmental Authority, or pursuant to the rules of any stock exchange or stock market, including the CSE.

14. GENERAL

14.1 Expenses

Each Party must pay its own costs and outlays connected with the preparation, negotiation and execution of this Agreement. However, regardless of whether or not the Closing is consummated, STV shall pay (or reimburse BioHarvest for) the reasonably documented expenses incurred by BioHarvest associated with the negotiation, execution, delivery and, if consummated, consummation of this Agreement and the other Transaction Documents and the transactions contemplated hereby and thereby, up to a total amount of US\$100,000, plus applicable VAT, which payment or reimbursement shall be made on the date hereof (with respect to expenses incurred thus far) and on a monthly basis thereafter (with respect to expenses incurred after the date hereof).

14.2 Taxes

All consideration to be paid to BioHarvest (including the issuance of Consideration Shares) pursuant to this Agreement shall be paid without deduction of exchange, collection, or other charges, and, specifically, without deduction of withholding or similar taxes or other government imposed fees or taxes.

14.3 Time

- (1) Time is of the essence of this Agreement.
- (2) If the Parties agree to vary a time requirement, the time requirement so varied is of the essence of this Agreement.
- (3) An agreement to vary a time requirement must be in writing.

14.4 Notices

Any notice, demand, consent or other communication ("**Notice**") given or made under this Agreement:

- (1) must be delivered to the intended recipient by hand or fax or email to the mailing or email address or fax number below or the mailing or email address or fax number last notified by the intended recipient to the sender in accordance with this section 14.4:

(a) to BioHarvest: BioHarvest Ltd.
3 Pekeris St.
Rehovot 76702
Israel

Attention: Chief Executive Officer
Email: yochi.hagay@bioharvest.com
Facsimile: +972-72-2221909

With a copy (which shall not constitute notice) to:
Meitar Liguornik Geva Leshem Tal, Law Offices
16 Abba Hillel Road
Ramat-Gan 5250608
Israel

Attention: Haim Gueta, Advocate
email: haimg@meitar.com
Facsimile: +972-3-610-3731

(b) to STV: Midnight Star Ventures Corp.
555 Burrard Street
Suite 1085, Two Bentall Centre, PO Box 201
Vancouver, British Columbia
V7X 1M8

Attention: David Ryan
email: midnightstar.ventures@gmail.com
Facsimile: 6046859182

- (2) will be taken to be duly given or made:

- (a) in the case of delivery in person, when delivered (or refusal to accept);
- (b) in the case of fax (with electronic confirmation of delivery) or email, upon its transmission,

but if the result is that a Notice would be taken to be given or made on a day which is not a Business Day in the place to which the Notice is sent or is later than 4:00 pm (local time in the place to which the Notice is sent) it will be taken to have been duly given or made at the commencement of business on the next Business Day in that place.

14.5 Governing Law and Jurisdiction

- (1) This Agreement will be governed by and interpreted in accordance with, and any Disputes must be resolved in accordance with, the law of the province of British Columbia, Canada and/or Canada federal corporate and/or securities law, regardless of any conflict of laws principles that may result in the application of the laws of any other jurisdiction.
- (2) The Parties irrevocably submit to the exclusive jurisdiction of the competent courts exercising jurisdiction in the State of Israel residing in Tel-Aviv-Jaffa, for any proceeding in connection with this Agreement, subject only to the right to enforce a judgment obtained in any of those courts in any other jurisdiction.

14.6 Violation of Law of another Jurisdiction

If this Agreement is intended to be performed in more than one jurisdiction, and its performance would be a violation of the applicable law of a jurisdiction where it is intended to be performed, this Agreement is binding in those jurisdictions in which it is valid, and the Parties will use their reasonable efforts to re-negotiate and amend this Agreement so that its performance does not involve a violation of the applicable law of the jurisdiction where its performance would be a violation.

14.7 Severability

- (1) If anything in this Agreement is unenforceable, illegal or void then it is severed, and the remaining provisions remain legal and enforceable; and
- (2) Where a provision of this Agreement is prohibited or unenforceable, the Parties must negotiate in good faith to replace the invalid provision by a provision which is in accordance with applicable law and which must be as close as possible to the Parties' original intent and appropriate consequential amendments (if any) will be made to this Agreement.

14.8 Entire Agreement

This Agreement:

- (1) is the entire agreement and understanding between the Parties concerning the subject matter of this Agreement; and
- (2) supersedes any prior agreement or understanding on anything connected with that subject matter, including, but not limited to, that certain term sheet of October 3, 2017, between the Bioharvest and certain parties thereto, which term sheet is hereby terminated and of no further force or effect.

14.9 Further Assurances

Each Party must promptly at its own cost (subject to section 14.1) do all things (including executing and if necessary delivering all documents) necessary or desirable to give full effect to this Agreement.

14.10 Variation

An amendment or variation to this Agreement is not effective unless it is in writing and signed by the Parties.

14.11 Waiver

A Party's failure or delay to exercise a power or right does not operate as a waiver of that power or right, the exercise of a power or right does not preclude either its exercise in the future or the exercise of any other power or right, a waiver is not effective unless it is in writing and a waiver of a power or right is effective only in respect of the specific instance to which it relates and for the specific purpose for which it is given.

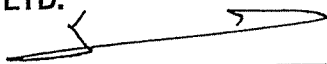
14.12 Counterparts

- (1) This Agreement may be executed in any number of counterparts. Each counterpart is an original but the counterparts together are one and the same agreement.
- (2) The Agreement is binding on the Parties on the exchange and delivery of all counterparts. A copy of a counterpart sent by facsimile machine or by electronic mail:
 - (a) must be treated as an original counterpart;
 - (b) is sufficient evidence of the execution of the original; and
 - (c) may be produced in evidence for all purposes in place of the original.

[SIGNATURE PAGE FOLLOWS]

EXECUTED AS AN AGREEMENT on the Effective Date.

BIO HARVEST LTD.

By: 
Authorized Signatory

Zaki Rakib
Name *(please print)*

Executive Chairman
Title

MIDNIGHT STAR VENTURES CORP.

By: _____
Authorized Signatory

Name *(please print)*

Title

[Signature Page to Share Purchase Agreement/ April 2018]

EXECUTED AS AN AGREEMENT on the Effective Date.

BIO HARVEST LTD.

By: _____
Authorized Signatory

Zaki Rakib
Name (please print)

Executive Chairman
Title

MIDNIGHT STAR VENTURES CORP.

By: _____
Authorized Signatory

DAVID K. RYAN
Name (please print)

PRESIDENT, DIRECTOR
Title

[Signature Page to Share Purchase Agreement/ April 2018]

SCHEDULE 1

BIOHARVEST'S REPRESENTATIONS AND WARRANTIES

BioHarvest represents and warrants to STV that:

1. BioHarvest is duly incorporated and validly exists under the law of its place of incorporation.

The Company; Acquired Shares

2. The Company is duly incorporated and validly exists under the law of its place of incorporation.
3. The Company is a party to the License Agreement and the Services Agreement, each dated as of even date herewith, copies of which are attached hereto as Schedules 1-3(A) and Schedule 1-3(B) (the "License Agreement" and the "Services Agreement", respectively), and, since its incorporation, the Company had no employees and did not carry on any business or incur any liability or entered into any contract, arrangement or commitment, other than in connection with the Service Agreement and the License Agreement.
4. The Company's authorized capital consists of 10,000,000 ordinary shares of no nominal value, of which, as at the date hereof, 100,000 ordinary shares are issued and outstanding, and as of immediately prior to the Closing there shall be issued and outstanding only 1,000,000 ordinary shares, all of which were or shall (as of the Closing) have been validly issued and fully paid and non-assessable.
5. There are no outstanding or promised (i) evidences of indebtedness, convertible investments, financings, loans, shares or other securities or agreements directly or indirectly convertible into or exchangeable for or requiring the issuance of shares of the Company, or (ii) options, warrants, conversion privileges, rights, agreements, understandings, commitments or other obligations (whether by law, pre-emptive or contractual) of the Company to:
 - (a) issue, sell, subscribe for, purchase, acquire, receive or otherwise deliver any shares or other ownership, voting or participation interests in the Company or securities or obligations of any kind convertible into or exchangeable for shares, Convertible Securities or other ownership, voting or participation interests in the Company; or
 - (b) acquire any shares of or ownership, voting or participation interests in any other person (and the Company has no direct or indirect subsidiaries nor any investment in any person).

Due Authorization

6. The execution, delivery and performance of this Agreement and the other Transaction Documents have been duly and properly authorised by all necessary corporate action of BioHarvest.
7. BioHarvest has full corporate power and lawful authority to execute and deliver this Agreement and the other Transaction Documents and to consummate and perform or cause to be performed its respective obligations under this Agreement and the other Transaction Documents and each transaction contemplated by this Agreement and the other Transaction Documents to be performed by it.
8. This Agreement and the other Transaction Documents have been duly and validly executed and delivered by BioHarvest and constitute the legal, valid and binding obligations of BioHarvest, enforceable in accordance with their respective terms by appropriate legal remedy subject to laws generally affecting creditors' rights and to principles of equity and except as limited by laws relating to the availability of specific performance, injunctive relief, or other equitable remedies.

-
9. The execution, delivery and performance by BioHarvest of this Agreement and the other Transaction Documents, and each transaction contemplated by this Agreement or any of the other Transaction Documents, do not and will not (with or without the lapse of time, the giving of notice or both) create a lien on any asset or right of BioHarvest, or require the consent, approval or authorization of, registration, qualification or filing with, or notice to any person or any governmental authority on the part of BioHarvest, or contravene, conflict with or result in a breach of or default, or give rise to rights to others, under:
- (c) any provision of the articles of incorporation or any other governing documents of BioHarvest;
 - (d) any material term or provision of any arrangement, undertaking, agreement or deed to which BioHarvest is a party or by which it is bound; or
 - (e) any writ, order or injunction, judgment, decree or ruling of any court or Governmental Authority, or any law, rule or regulation to which it is a party or to which it is subject or by which it is bound.

Brokers; Experience; No Reliance

10. There is no person acting at the request or on behalf of BioHarvest that is entitled to any brokerage or finder's fee or other compensation in connection with the transactions contemplated by this Agreement or the other Transaction Documents.
11. It has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks relating to the acquisition of the Consideration Shares and is able to bear the economic risk of loss of such investment. The parties agree and acknowledge that this shall in no way prejudice a claim with respect to a breach by STV of its representations and warranties contained in this Agreement or any other Transaction Document.
12. It received no representations or warranties from or on behalf of STV regarding, and is not relying on STV with respect to, the tax effects of the transactions contemplated hereunder or under any other Transaction Documents, and STV shall not be liable to it for any such effects.
13. It is acquiring the Consideration Shares as principal for its own account for investment only, not for the benefit of any other person, and not with a view to the resale or distribution of all or any of the Consideration Shares.

SCHEDULE 2

STV'S REPRESENTATIONS AND WARRANTIES

STV represents and warrants to BioHarvest that:

1. STV is duly incorporated and validly exists under the law of its place of incorporation.
2. STV is in good standing under the statute under which it was incorporated. STV does not have and has never had any commercial operations in any jurisdiction (other than engaging in the Option Agreement dated as of August 26, 2016, with Claremont Nevada Mines LLC. (the "Mining Option Agreement"))).

Due Authorization

3. The execution, delivery and performance of this Agreement and the other Transaction Documents to which STV is a party have been duly and properly authorized by all necessary corporate action of STV.
4. STV has full corporate power and lawful authority to execute and deliver this Agreement and the other Transaction Documents to which STV is a party and to consummate and perform or cause to be performed its respective obligations under this Agreement and the other Transaction Documents to which STV is a party and each transaction contemplated by this Agreement and the other Transaction Documents to be performed by it.
5. This Agreement and the other Transaction Documents to which STV is a party have been duly and validly executed and delivered by STV and constitute the legal, valid and binding obligations of STV, enforceable in accordance with their respective terms by appropriate legal remedy subject to laws generally affecting creditors' rights and to principles of equity and except as limited by laws relating to the availability of specific performance, injunctive relief, or other equitable remedies.
6. The execution, delivery and performance by STV of this Agreement and the other Transaction Documents to which STV is a party, and each transaction contemplated by this Agreement or any of the other Transaction Documents, do not and will not (with or without the lapse of time, the giving of notice or both) create a lien on any asset or right of STV, or require the consent, approval or authorization of, registration, qualification or filing with, or notice to any person or any governmental authority on the part of STV, or contravene, conflict with or result in a breach of or default, or give rise to rights to others, under:
 - (f) any provision of the articles of incorporation or any other governing documents of STV;
 - (g) any material term or provision of any arrangement, undertaking, agreement or deed to which STV is a party or by which it is bound; or
 - (h) any writ, order or injunction, judgment, decree or ruling of any court or Governmental Authority, or any law, rule or regulation to which it is a party or to which it is subject or by which it is bound.

Capitalization

7. STV's authorized capital consists of an unlimited number of STV Shares, of which, as at January 31, 2018 26,643,768 STV Shares are issued and outstanding, and as of immediately prior to the Closing there shall be issued and outstanding only said 26,643,768 STV Shares, the STV Shares underlying the Units that will be issued in accordance with section 8.4(a) of the Agreement and the STV Shares that will be issued, if any of 123,939 options referred to in the immediately succeeding

paragraph are exercised, all of which were or shall (as of the Closing) have been validly issued and fully paid and non-assessable.

Except for options to purchase 123,939 STV Shares exercisable at CAN\$0.1 per STV Share expiring August 4 2018, there are no other outstanding or promised (i) evidences of indebtedness, convertible investments, financings, loans, shares or other securities or agreements (other than Options, as defined below) directly or indirectly convertible into or exchangeable for or requiring the issuance of shares of STV (collectively, "**Convertible Securities**"), or (ii) options, warrants, conversion privileges, rights, agreements, understandings, commitments or other obligations (whether by law, pre-emptive or contractual) of STV to:

- (a) issue, sell, subscribe for, purchase, acquire, receive or otherwise deliver any shares or other ownership, voting or participation interests in STV or securities or obligations of any kind convertible into or exchangeable for shares, Convertible Securities or other ownership, voting or participation interests in STV (clause (ii)(a) including its preface, collectively, "**Options**"); or
- (b) acquire any shares of or ownership, voting or participation interests in any other person (and STV has no direct or indirect subsidiaries nor any investment in any person).

On December 22, 2014, STV adopted an incentive stock option plan, which provides that the Board of Directors of STV may from time to time, in its discretion, and in accordance with the requirements of the CSE, grant to directors, officers, employees and technical consultants to the Company, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares of STV. No stock options have been granted pursuant to the plan.

8. The Consideration Shares are duly authorized and, when issued, sold and delivered in accordance with the terms of this Agreement, shall be duly and validly issued, fully paid, and non-assessable, issued in compliance with the articles of incorporation and other governing documents of STV and all applicable securities laws, and free and clear of any liens or other restrictions or third party rights of any kind.

The STV Shares are and the Consideration Shares shall, as of Closing, be, subject to any applicable escrow and resale restrictions pursuant to applicable securities laws and pursuant to the rules and policies of the CSE, listed and posted for trading on the CSE. No order ceasing or suspending trading in any securities of STV, prohibiting the sale of securities of STV or the trading of STV's issued securities has been issued and, to the knowledge of STV, no proceedings for such purpose are pending, threatened or contemplated, other than a halt of trading as may be imposed by the CSE in connection with the transactions contemplated by this Agreement.

Disclosure

9. STV is a "reporting issuer" not in default or the equivalent under the applicable securities laws of each of the Provinces of British Columbia and Ontario. STV is not aware of any event occurring or expected to occur on or prior to the Closing (other than the transactions effected hereby) that would require disclosure to its shareholders at or after the Closing.
10. STV is in compliance in all material respects with all applicable laws, regulations, policies, procedures or agreements it is bound by, including, without limitation, with the policies of the CSE applicable to STV. There has not been any reportable event (within the meaning of National Instrument 51-102- *Continuous Disclosure Obligations of the Canadian Securities Administrators*) since April 30, 2017 with the auditors of STV. No order ceasing or suspending trading in securities of STV or prohibiting the sale of securities by any of STV has been issued that remains outstanding

and, to the knowledge of STV, no proceedings for this purpose have been instituted, are pending, contemplated or threatened by any securities commission, self-regulatory organization or CSE.

11. STV has prepared and filed with each appropriate Governmental Authority all documents required to be filed by it under applicable securities laws and such documents, as of the time they were filed:
 - (c) did not contain any misrepresentations (as defined in applicable securities laws relating to such document);
 - (d) did not fail to state a material fact required to be stated in order to make the statements contained in such document not misleading in light of the circumstances in which they were made; and
 - (e) complied in all material respects with the requirements of applicable securities laws.
12. STV's unaudited financial statements for the 3-month period and 9-month period ended January 31, 2018, including the notes thereto (collectively, the "STV Financial Statements"), were prepared in accordance with IFRS, consistently applied and fairly present, in all material respects, the financial position, results of operations and cash flows of STV as of the dates thereof and for the periods indicated therein. There has been no material change in STV's accounting policies subsequent to January 31, 2018. STV maintains a system of internal accounting controls sufficient to provide reasonable assurance that: (i) transactions are executed in accordance with management's general or specific authorizations; (ii) access to assets is permitted only in accordance with management's general or specific authorization; and (iii) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.
13. Since January 31, 2018, there has been no Material Adverse Change and STV has not (i) sold, transferred, distributed, or otherwise disposed of or acquired a material asset; (ii) incurred any Liability; (iii) made any material capital expenditure or commitment; (iv) made any material increase in the compensation payable to any employee or director; (v) conducted its operations other than in all material respects in the ordinary course of business; (vi) entered into any material transaction or contract, or amended or terminated any such transaction or contract; (vii) declared, set aside or paid any dividend or other distribution, or (viii) agreed or committed to do any of the foregoing. The outstanding promissory notes that were issued by STV and disclosed in the STV Financial Statement have been repaid in full and are no longer outstanding (nor is there any right held by, or obligation owed by STV to, to any party in connection therewith).
14. STV has no material liabilities or obligations of any nature to any person, including guarantees, support obligations or other similar obligations with respect to the obligations of any person, and no assets of any kind or nature, except liabilities and obligations adequately reflected or reserved against in the STV Financial Statements. STV is not a party to any contract, written or oral (other than the Mining Option Agreement), and neither STV nor any other party thereto is in material default or breach thereof, nor, to the knowledge of STV, there exists any condition, event or act which would constitute a material default or breach thereunder). STV has not applied, obtained or received any grant, incentives, benefits, subsidies or other assistance from any Governmental Authority. STV has no, and never had any, employee. No shareholder, officer or director of STV, nor members of their immediate family or affiliates of any of the foregoing, is a party to any transaction or arrangement with STV. STV does not have any asset nor liabilities and does not have any contingent liability or responsibility arising from or resulting of any operation, transaction, agreement entered into prior to the date of Closing and such liability will arise or result from such after the Closing, in each case, other than those shown on the STV Financial Statements.
15. The books, records and accounts of STV, in all material respects:

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- (a) have been maintained in accordance with good business practices;
 - (b) are stated in reasonable detail and accurately and fairly reflect the transactions, including the acquisition and disposition of properties and assets, of STV; and
 - (c) accurately and fairly reflect the basis for the STV Financial Statements.

Litigation

- 16. There is no claim, suit, action, arbitration, review, proceeding or investigation pending, or to the knowledge of STV, threatened by or against STV or affecting any of its properties, assets or businesses before or by any Governmental Authority that if adversely determined, individually or in the aggregate, would have a Material Adverse Effect on STV or prevent or delay consummation of the transactions contemplated by this Agreement, nor to the knowledge of STV is there any basis for any such claim, suit, action, arbitration, review, proceeding or investigation.

Tax Matters

- 17. STV has filed all tax returns, has paid all applicable taxes, and has withheld or collected and remitted all amounts to be withheld or collected and remitted with respect to any taxes, as required under all applicable laws. There are no actions, suits or proceedings, in progress, pending, or, to the knowledge of STV threatened, in connection with any taxes.

Environmental and Safety Laws

- 18. Except as could not reasonably be expected to have a Material Adverse Effect, STV is and has been in compliance with all law, regulations, or other applicable requirements relating to (a) releases or threatened release of any pollutant, contaminant or toxic or hazardous material, substance or waste or petroleum or any fraction thereof ("**Hazardous Substance**"); (b) pollution or protection of employee health or safety, public health or the environment; or (c) the manufacture, handling, transport, use, treatment, storage, or disposal of Hazardous Substances, and there are no proceedings pending or, to the knowledge of STV, threatened against STV alleging any failure to so comply or involving any of its past operations or any real property used by STV.
- 19. STV has not and has never conducted any exploration or other mining activity or operation in any jurisdiction, therefore STV has no latent or potential liability with any environmental or mining authority or other governmental authority of any jurisdiction with regards to any such mining activity or operation

Brokers; Experience; No Reliance

- 20. Immediately following the Closing, there will be no persons that will be entitled to any brokerage or finder's fee or other compensation (whether absolute or contingent, whether payable in cash, equity or otherwise) from STV or on its behalf at any time after the Closing, in connection with the transactions contemplated by this Agreement or the other Transaction Documents.
- 21. It has had an opportunity to discuss the Technology and the Company's business, management and financial affairs with Bioharvest's and the Company's respective management and has had an opportunity to review Bioharvest's and the Company's respective facilities, and has such knowledge and experience in financial, scientific and business matters as to be capable of evaluating the merits and risks relating to the acquiring of the License and the other transactions contemplated by the Transaction Documents and is able to bear the economic risk of loss of such investment. The foregoing, however, does not limit or modify the representations and warranties of BioHarvest contained in this Agreement or any other Transaction Document.

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22. It received no representations or warranties from or on behalf of BioHarvest regarding, and is not relying on BioHarvest with respect to, the tax effects of the transactions contemplated hereunder or under any other Transaction Documents, and BioHarvest shall not be liable to it for any such effects.

SCHEDULE 3.4

STOCK OPTIONS

Shareholder	ID	Options to be Granted(%)
Zaki Rakib	13486949	4.5%
Yochi Hagay	54604095	4.5%
Malkit Azachi	22760326	0.45%
Michal Abargil	57389165	0.14%
Yoav Rot	57871519	0.15%
Sharon Vigodman	24603631	0.15%
Orli Lifshitz	22506299	0.02%
Raya Schleizer	11803277	0.02%
Batya Marco	51357036	0.02%
Revital Algor	300751153	0.05%
Total		10.00%

- 2-year vesting on a quarterly basis.