

**AMENDED AND RESTATED SHARE PURCHASE AGREEMENT**

THIS AGREEMENT made as of December 16, 2019

AMONG:

**SUNNIVA INC.**  
(the "**Vendor**")

- and -

**NATURAL HEALTH SERVICES LTD.**  
(the "**Corporation**")

- and -

**CURA-CAN HEALTH CORP.**  
("**Cura-Can**")

- and -

**THE CLINIC NETWORK CANADA INC.**  
("**TCNC**")

**RECITALS:**

- A. the Vendor owns all of the issued and outstanding shares in the capital of the Corporation, being 6,282,401 Class "A" Common Voting Shares (the "**Purchased Shares**");
- B. the Vendor, the Corporation, Cura-Can and TCNC entered into a share purchase agreement dated as of September 10, 2019, which contemplated the acquisition of the Purchased Shares by TCNC, among other things (the "**Original Agreement**");
- C. the parties have agreed to amend and restate the Original Agreement to set out a revised transaction structure under which Cura-Can, instead of TCNC, will acquire the Purchased Shares from the Vendor, among other things; and
- D. TCNC, as a wholly-owned subsidiary of Cura-Can as of the date hereof, has agreed to become party to this Agreement for the purpose of issuing Class A Shares of TCNC to the Vendor in accordance with the terms of the Notice of Liquidity Event (as defined below);

**NOW THEREFORE**, in consideration of the mutual covenants contained herein, and other good and valuable consideration (the receipt and adequacy of which are acknowledged), the parties to this Agreement (each a "**Party**" and collectively, the "**Parties**") agree as follows:

**ARTICLE 1**  
**INTERPRETATION**

**1.1 Interpretation**

In this amended and restated share purchase agreement (the "**Agreement**"), the following shall apply:

- (a) Unless otherwise defined herein, capitalized terms used in this Agreement shall have the following meanings:

- (i) **“Applicable Law”** means, in relation to any of the Parties, transaction or event, all applicable provisions of laws, statutes, rules, regulations, official directives and orders of and the terms of all judgments, orders and decrees issued by any Governmental Authority by which such Party is bound or having application to the transaction or event in question;
- (ii) **“Assets”** means all of the tangible and intangible assets of the Corporation, Cura-Can or TCNC, as the case may be;
- (iii) **“Business”** means the business carried on by the Corporation consisting of owning and operating medical clinics in Canada specializing in medical cannabis;
- (iv) **“Calculation Time”** means the date that is 120 days after the Closing Date;
- (v) **“Cash Consideration”** means \$250,000.00 in cash;
- (vi) **“Closing”** means the closing of the transactions contemplated by this Agreement;
- (vii) **“Closing Date”** means December 18, 2019, or such other date as mutually agreed between the Parties;
- (viii) **“Closing Working Capital”** means: (a) the Current Assets of the Corporation; less (b) the Current Liabilities of the Corporation, determined as of the close of business on the Closing Date;
- (ix) **“Closing Working Capital Statement”** has the meaning ascribed thereto in Section 2.4(a);
- (x) **“Cura-Can Business”** means the business carried on by Cura-Can consisting of owning and operating medical clinics in Canada specializing in chronic pain through its subsidiary, TCNC, developing proprietary products that can leverage TCNC’s distribution network, as well as, investing in other synergistic businesses;
- (xi) **“Current Assets”** means consolidated cash and securities, accounts receivable, inventories and prepaid expenses and deposits of the Corporation as at the Calculation Time, determined in accordance with GAAP consistently applied, but does not include: (i) the portion of any prepaid expense of which Cura-Can will not receive the benefit following the Closing; and (ii) deferred tax assets;
- (xii) **“Current Liabilities”** means the consolidated trade and other payables, accrued taxes and other charges of the Corporation as at the Calculation Time, determined in accordance with GAAP consistently applied, but does not include: (i) income taxes payable; (ii) accrued provisions; (iii) deferred tax liabilities; and (iv) the current portion of long term debt, determined in accordance with GAAP consistently applied;
- (xiii) **“Debenture Financing”** means the non-brokered private placement offering of up to \$1.5 million aggregate principal amount of subordinated unsecured convertible debentures of TCNC which are accompanied by a Warrant, mature 24-months from closing of such offering, and bear interest at a rate of 10% per annum payable

at maturity or upon conversion into Class A Shares of TCNC which is expected to close on or about December 15, 2019;

- (xiv) **"Deposit"** has the meaning ascribed thereto in Section 2.2(a);
- (xv) **"Entitlement Percentage"** means the quotient, expressed as a percentage, obtained by dividing (A) the number of Exchanged Shares, by (B) the total issued and outstanding Class A common shares of Cura-Can as at the date of the Notice of Liquidity Event;
- (xvi) **"Exchange"** means the Canadian Securities Exchange;
- (xvii) **"Exchanged Shares"** means the number of Class A common shares of Cura-Can received by the Vendor forming all or a portion of the Security Consideration that the Vendor elects to surrender to Cura-Can pursuant to its exercise of the Liquidity Event Option;
- (xviii) **"Finders Fee Agreement"** means the finders fee agreement between Cura-Can and Mr. Kim Wei dated October 23, 2019 pursuant to which Mr. Wei will receive such number of Class A Shares of Cura-Can equal to 5% of: (i) in the case of debt securities, the aggregate principal amount of debt securities; and (ii) in the case of equity securities, the aggregate subscription price for the equity securities, issued to persons introduced to Cura-Can by Mr. Wei and who participate in the Promissory Note Financing or who participate in a substantially similar financing within six (6) months after the termination of such agreement, with such Class A Shares being issued at a deemed price of \$1.00 per share;
- (xix) **"Fundamental Representations and Warranties"** means, with respect to Cura-Can, the representations and warranties of the Vendor and the Corporation set forth in Sections 4.1(a), 4.1(b), 4.1(e), 4.1(f), 4.1(i), 4.1(j), 4.1(k) and 4.1(l), and with respect to the Vendor, the representations and warranties of TCNC and Cura-Can set forth in Sections 4.2(a)(i), 4.2(a)(ii), 4.2(a)(iii), 4.2(a)(iv), 4.2(a)(v), 4.2(a)(viii), 4.2(a)(ix), 4.2(b)(i), 4.2(b)(ii), 4.2(b)(iii), 4.2(b)(iv), 4.2(b)(v), 4.2(b)(viii) and 4.2(b)(ix);
- (xx) **"GAAP"** means generally accepted accounting principles applicable to the relevant entity;
- (xxi) **"Governmental Authority"** means any government, any governmental or regulatory entity or body, department, commission, board, agency or instrumentality, and any court, tribunal or judiciary body, in each case whether federal, state, county, provincial and whether local or foreign;
- (xxii) **"Holdback Shares"** means an aggregate of 600,000 Class A Shares of Cura-Can at a price of \$1.25 per share, forming part of the Security Consideration;
- (xxiii) **"License"** means any license, permit, approval, authorization, certificate, directive, order, variance, registration, right, privilege, concession of franchise issued, granted, conferred or otherwise created by any Governmental Authority;

- (xxiv) **“Liquidity Event”** means any of the following events in respect of TCNC, whichever is earliest to occur: (i) an event resulting in TCNC becoming a “reporting issuer” (or its equivalent) as defined under applicable Canadian securities laws and having securities listed for trading on a recognized exchange; (ii) the filing of a final prospectus in relation to an initial public offering of any of the securities of TCNC; (iii) the filing of a final decision document in relation to a reverse take-over whereby a publicly listed company acquires all the issued and outstanding securities of TCNC; or (iv) a change of control of TCNC, which includes (A) a merger or acquisition in which TCNC is not the surviving entity, other than a transaction the principal purpose of which is to change the incorporating jurisdiction of TCNC; (B) the sale, transfer or other disposition of all or substantially all of the assets of TCNC; or (C) any other corporate reorganization or business combination pursuant to which 50% or more of the outstanding voting shares of TCNC are transferred or exchanged through merger to different holders in a single transaction of TCNC or in a series of related transactions;
- (xxv) **“Liquidity Event Option”** means an option entitling the Vendor to surrender and exchange the Security Consideration, in whole or in part, for such number of TCNC Liquidity Event Shares pursuant to a Liquidity Event, in accordance with the terms and conditions set forth in the Liquidity Event Option Agreement;
- (xxvi) **“Liquidity Event Option Agreement”** means the agreement evidencing the Liquidity Event Option, in substantially the form attached hereto as Schedule A;
- (xxvii) **“Material Adverse Effect”** means, in respect of the Corporation, any fact, state of facts, change, event, occurrence, effect or circumstance that, individually or in the aggregate with other such facts, state of facts, changes, events, occurrences, effects or circumstances is or would reasonably be expected to have a material and adverse effect on the current business, operations, affairs, capitalization, results of operations, assets, properties, liabilities (contingent or otherwise, including any contingent liabilities that may arise through outstanding pending or threatened litigation) or condition (financial or otherwise) of the Corporation, whether before or after giving effect to the transactions contemplated by this Agreement, except any such fact, state of facts, change, event, occurrence, effect, or circumstance resulting from or arising in connection with:
- (A) any adverse change or effect attributable to the announcement, pendency or consummation of the transactions contemplated by this Agreement (including any cancellations of or delays in customer orders, any reduction in sales, any disruption in supplier, distributor, partner or similar relationships or any loss of employees);
  - (B) the effects of changes that are generally applicable to the industry in which the Business operates, to the global economy generally, or to the economies in any locations in which the Business operates;
  - (C) acts of war, sabotage or terrorism, military actions or the escalation thereof;

- (D) any changes in Applicable Law or accounting rules or principles, including changes in GAAP; or
  - (E) any other action required by this Agreement;
- (xxviii) **“Notice of Liquidity Event”** means a written notice to be delivered by Cura-Can to the Vendor in the event that Cura-Can, acting reasonably in good faith, believes that TCNC has entered into an arrangement which will result in a Liquidity Event and which will set forth the *pro rata* percentage interest of Cura-Can that the Security Consideration represents as at the date of such notice;
- (xxix) **“Option Plan”** means the executive stock option plan of Cura-Can dated March 27, 2019;
- (xxx) **“Promissory Note Financing”** means the non-brokered private placement offering of \$1.2 million aggregate principal amount of subordinated secured convertible promissory notes of Cura-Can which mature 9-months from closing of such offering, and bear interest at a rate of 10% per annum compounded monthly payable at maturity or upon conversion into Class A Shares of Cura-Can, or Class A Shares of TCNC in certain circumstances, which closed on November 5, 2019;
- (xxxi) **“Proposed Class Action Claims”** means actions commenced relating to an alleged privacy breach of the electronic medical information system used by the Corporation and includes:
- (A) ***[Redacted: Confidential business information]***;
  - (B) ***[Redacted: Confidential business information]***; and
  - (C) ***[Redacted: Confidential business information]***;
- (xxxii) **“Purchase Price”** has the meaning ascribed thereto in Section 2.2;
- (xxxiii) **“Related Party Debts”** means, collectively: (i) the ***[Redacted: Confidential business information]*** outstanding debt of the Corporation owed to the Vendor; (ii) the ***[Redacted: Confidential business information]*** outstanding debt of the Corporation owed to ***[Redacted: Confidential business information]*** as of August 31, 2019; and (iii) the ***[Redacted: Confidential business information]*** outstanding debt of the Corporation owed to ***[Redacted: Confidential business information]*** as of August 31, 2019;
- (xxxiv) **“Security Consideration”** has the meaning ascribed thereto in Section 2.2(b);
- (xxxv) **“Target Working Capital”** means the target working capital of the Corporation as of the Closing Date, being \$370,000;
- (xxxvi) **“Tax Act”** means the *Income Tax Act* (Canada), including the regulations promulgated thereunder;

- (xxxvii) **"TCNC Business"** means the business carried on by TCNC consisting of owning and operating medical clinics in Canada specializing in chronic pain;
- (xxxviii) **"TCNC Liquidity Event Shares"** means all of the issued and outstanding Class A common shares in the capital of TCNC as at the date of the Notice of Liquidity Event;
- (xxxix) **"TCNC Share Entitlement"** means that number of TCNC Liquidity Event Shares (rounded to the nearest whole share) required to be transferred from Cura-Can to the Vendor immediately prior to the closing of a Liquidity Event, such that at the time of closing of the Liquidity Event, the Vendor is the registered holder of that number of TCNC Liquidity Event Shares, which when divided by the total number of TCNC Liquidity Event Shares, and expressed as a percentage, is equal to the Entitlement Percentage; and
- (xl) **"Warrant"** means a common share purchase warrant which shall accompany the unsecured convertible debentures to be issued pursuant to the Debenture Financing, with each Warrant entitling the holder thereof to purchase such number of Class A Shares of TCNC as is equal to half the number of Class A Shares of TCNC that the face-value of the debentures purchased under the Debenture Financing by such holder would be convertible into at an exercise price equal to the conversion price of the debentures.
- (b) Accounting Principles: Unless otherwise specified, any reference in this Agreement to "generally accepted accounting principles" is to the generally accepted accounting principles approved by the Chartered Professional Accountants of Canada, or any successor entity thereto, either as disclosed in the CPA Canada Handbook – Accounting, Part I International Financial Accounting Standards or Part II Accounting Standards for Private Enterprises.
- (c) Taxes: In this Agreement, "**Tax**" or "**Taxes**" means all federal, provincial, territorial, county, municipal, local or foreign taxes, duties, imposts, levies, assessments, tariffs and other charges imposed, assessed or collected by a Governmental Authority, including: (i) any gross income, net income, gross receipts, business, royalty, capital, capital gains, goods and services, value added, severance, stamp, franchise, occupation, premium, capital stock, sales and use, real property, land transfer, personal property, ad valorem, transfer, licence, profits, windfall profits, environmental, payroll, employment, employer health, pension plan, anti-dumping, countervail, excise tax; (ii) all withholdings on amounts paid to or by the relevant person; (iii) all employment insurance premiums, Canada pension plan contributions or premiums and any other applicable pension plan contributions or premiums; (iv) any fine, penalty, interest, or addition to tax, (v) any tax imposed, assessed, or collected or payable pursuant to any tax-sharing agreement or any other contract relating to the sharing or payment of any such tax, levy, assessment, tariff, duty, deficiency, or fee; and (vi) any liability for any of the foregoing as a transferee, successor, guarantor, or by contract or by operation of law.
- (d) Currency: Unless otherwise specified, all dollar amounts in this Agreement, including the symbol "\$", refer to Canadian currency.
- (e) Headings: The division of this Agreement into Articles, Sections and other subdivisions and the inclusion of headings are provided for convenience only and do not affect the construction or interpretation of this Agreement.

- (f) Including: In this Agreement, the words “include” or “including” mean “include (or including), without limitation,” and the words following “include” or “including” are not to be considered an exhaustive list, unless expressly stated otherwise (e.g. including only).
- (g) Performance on Holidays: If any act is required by the terms of this Agreement to be performed on a day which is not a Business Day, the act will be valid if performed on the next succeeding Business Day. In this Agreement “**Business Day**” means any day other than Saturday, Sunday or statutory holiday in the city of Toronto, Ontario.
- (h) References to Persons: Unless the context otherwise requires, any reference in this Agreement to a “person” includes any partnership, firm, trust, corporation, government entity, authority, or department, or other entity and their successors and permitted assigns.
- (i) Statutory References: Unless otherwise specified, any reference in this Agreement to a statute includes all rules and regulations made under it and all applicable guidelines, bulletins or policies made in connection with it and which are legally binding, in each case as it or they may have been, or may from time to time be, amended or re-enacted.
- (j) Time: Time is of the essence of this Agreement, and no extension or variation of this Agreement will operate as a waiver of this provision.
- (k) Time Periods: Unless otherwise specified, a period of days will be deemed to begin on the first day after the event which began the period and to end at 5:00 p.m. EST on the last day of the period. If a period of time is to expire on any day that is not a Business Day, the period will be deemed to expire at 5:00 p.m. EST on the next succeeding Business Day.
- (l) Schedules: The schedules attached to this Agreement form an integral part of this Agreement for all purposes hereof.
- (m) Knowledge: in this Agreement, any reference to “knowledge” of the Vendor, the Corporation, Cura-Can or TCNC means the actual knowledge of the officers of the Vendor, the Corporation, Cura-Can or TCNC, as the case may be, after having made due enquiry into the relevant matter.

## ARTICLE 2 PURCHASE AND SALE OF PURCHASED SHARES

### 2.1 Agreement to Purchase and Sell

Subject to the terms and conditions of this Agreement, as of the Closing, the Vendor shall sell, transfer, convey and assign to Cura-Can and Cura-Can shall purchase and acquire from the Vendor, all of the Purchased Shares, free and clear of all encumbrances whatsoever.

### 2.2 Purchase Price

Subject to Section 2.4 and adjustments provided for herein, the consideration payable by Cura-Can to the Vendor for the Purchased Shares (the “**Purchase Price**”) is \$9,000,000.00. Cura-Can shall pay the Purchase Price to the Vendor as follows:

- (a) the Cash Consideration, which, as of the date of this Agreement, has been satisfied by the delivery of a non-refundable deposit in the amount of \$250,000.00 (the “**Deposit**”) to the Vendor;
- (b) on the Closing Date and subject to adjustment as determined in accordance with Section 2.2(c), \$8,750,000 by way of the issuance of an aggregate of 7,000,000 Class A Shares



of Cura-Can registered in the name of the Vendor (the “**Security Consideration**”) in the following manner:

- (i) an aggregate of 6,400,000 Class A Shares of Cura-Can registered in the name of the Vendor and delivered to the Vendor at Closing;
  - (ii) the Holdback Shares registered in the name of the Vendor to be held in trust for the Vendor by Cura-Can’s counsel, subject to, and delivered to the Vendor upon, completion of any adjustment of the Purchase Price pursuant to Sections 2.4, 2.5 and 2.6 of this Agreement; and
- (c) after Closing:
- (i) if the Closing Working Capital is less than the Target Working Capital, the Purchase Price shall be adjusted downwards dollar for dollar by the amount of the difference; and
  - (ii) if the Closing Working Capital is more than the Target Working Capital, the Purchase Price shall be adjusted upwards dollar for dollar by the amount of the difference.

### 2.3 Section 85 Election

The Vendor and Cura-Can will, if and as requested by the Vendor, jointly elect, in the form prescribed and within the time limits set out therefor, that the rules in subsection 85(1) of the Tax Act apply to the purchase and sale of the Purchased Shares, and the amount to which they agree in the election in respect of the Purchased Shares will be such amount as is specified by the Vendor.

### 2.4 Determination of Closing Working Capital

- (a) As soon as practicable following the Closing Date, but no later than 90 days following the Closing Date, the Vendor shall prepare, at the Vendor’s expense, and deliver to Cura-Can the balance sheet of the Corporation and a calculation of the Corporation’s Closing Working Capital as at the beginning of the Closing Date, based on the accrual method of accounting and prepared in accordance with GAAP (the “**Closing Working Capital Statement**”).
- (b) Upon receipt, Cura-Can will have 30 days to review the Closing Working Capital Statement (the “**Review Period**”). During the Review Period, the Vendor shall ensure that access is given, upon every reasonable request, to Cura-Can and its representatives, to the Books and Records (as defined herein) and all working papers of the Vendors and the Vendor’s accountants created in connection with the preparation of the Closing Working Capital Statement, to verify the accuracy, presentation and other matters relating to the preparation of the Closing Working Capital Statement.
- (c) Cura-Can and the Vendor shall each bear their own fees and expenses, including the fees and expenses of their respective auditors or accountants, as the case may be, in preparing or reviewing, as the case may be, the Closing Working Capital Statement. If a dispute regarding any of the aforesaid is submitted to the Independent Accountant under Section 2.5(b), the fees and expenses of the Parties and the Independent Accountant will be paid in accordance with Section 2.5(b).



## 2.5 Acceptance or Dispute of Closing Working Capital Statement

- (a) Following receipt of the Closing Working Capital Statement as contemplated by Section 2.4, if Cura-Can objects in good faith to any item on the Closing Working Capital Statement, Cura-Can shall so notify the Vendor by delivering written notice to that effect (the “**Notice of Objection**”) prior to the end of the Review Period. The Notice of Objection must set out the reasons for Cura-Can’s objection, the amount in dispute and reasonable details of the calculation of that amount. If Cura-Can does not object to any item on the Closing Working Capital Statement, Cura-Can may so notify the Vendor by delivering a written notice to that effect (the “**Notice of Acceptance**”). If Cura-Can does not deliver a Notice of Objection or a Notice of Acceptance to the Vendor prior to the end of the Review Period, Cura-Can will be deemed to have delivered a Notice of Acceptance to the Vendor on the last day of the Review Period and the Closing Working Capital Statement will be deemed to be final and binding for purposes of the adjustments referred to in Section 2.2(c).
- (b) If Cura-Can delivers a Notice of Objection, the Parties shall work expeditiously and in good faith to resolve all of the items in dispute set out in the Notice of Objection within 30 days following delivery of the Notice of Objection. Any items in dispute that are not resolved by the end of that 30-day period will be submitted by the Parties for determination to an independent accounting firm mutually agreed to by the Parties. In making its determination, the selected accounting firm (the “**Independent Accountant**”) will act as expert and not as arbitrator, must only consider the items in dispute submitted to it, and must make reasonable efforts to determine the items in dispute within 30 days following the date of submission. The determination of the Independent Accountant will be final and binding upon the Parties and will not be subject to appeal, absent manifest error, and the Closing Working Capital as determined by the Independent Accountant will be final and binding upon the Parties for the purposes of the adjustments referred to in Section 2.2(c). Cura-Can and the Vendor shall each pay one half of the fees and expenses of the Independent Accountant, but shall each bear their own costs in presenting their respective cases to the Independent Accountant.
- (c) Notwithstanding Article 7, the procedure set out in this Section 2.5 for resolving disputes with respect to the Closing Working Capital Statement and the calculation of the Closing Working Capital is the sole and exclusive method of resolving these disputes, absent manifest error. However, this Section 2.5 will not:
  - (i) prohibit either Party from commencing litigation to compel specific performance of this Section 2.5 or to enforce the determination of the Independent Accountant; or
  - (ii) prohibit either Party from exercising its rights under Section 7.4 if the basis of the dispute could also entitle that Party to make a claim for Damages and: (A) that claim is not discovered until after the final determination of the Closing Working Capital; or (B) that claim involves the fraudulent act or fraudulent misrepresentation of the other Party.

## 2.6 Payment of Post-Closing Adjustments

- (a) The amount by which the Purchase Price is adjusted in accordance with Section 2.2(c) is referred to as the “**Post-Closing Adjustment Amount**”.
- (b) In the event of any adjustment to the Purchase Price in accordance with the terms of this Agreement, the Post-Closing Adjustment Amount shall be added or subtracted from the Purchase Price, as applicable, as follows:

- (i) if the Purchase Price goes up, Cura-Can will direct its counsel to immediately release the Holdback Shares in full to the Vendor and if necessary, issue the Vendor such number of additional Class A Shares, at a deemed value of \$1.25 per share, representing 100% of the adjusted amount; and
- (ii) if the Purchase Price goes down, Cura-Can will direct its counsel to immediately release such number of the Holdback Shares (if any) to the Vendor and if necessary, the Vendor will return to Cura-Can such number of additional Class A Shares, at a deemed value of \$1.25 per share, received on Closing representing 100% of the adjusted amount.

## 2.7 Liquidity Event Option

- (a) If Cura-Can delivers a Notice of Liquidity Event to the Vendor, the Vendor shall be entitled to exercise the Liquidity Event Option and surrender the Security Consideration, in whole or in part, to receive in exchange that number of TCNC Liquidity Event Shares (rounded to the nearest whole share) such that at the time of closing of the Liquidity Event, the Vendor will be the registered holder of that number of TCNC Liquidity Event Shares, which when divided by the aggregate number of issued and outstanding TCNC Liquidity Event Shares, and expressed as a percentage, is equal to the Entitlement Percentage.
- (b) The Vendor shall have 10 days upon receipt of the Notice of Liquidity Event to elect the number of Class A Shares of Cura-Can, if any, to be surrendered for TCNC Liquidity Event Shares and to notify Cura-Can in writing accordingly. The surrender and exchange of any Class A Shares of Cura-Can for TCNC Liquidity Event Shares will be conditional on the closing of the Liquidity Event referenced in the Notice of Liquidity Event.
- (c) Cura-Can shall use its commercially reasonable efforts to cause the Liquidity Event to be structured in a way that allows Section 85 of the Tax Act be applicable to the exchange of the Exchanged Shares. Also, the Vendor and TCNC will, if and as requested by the Vendor, jointly elect, in the form prescribed and within the time limits set out therefor, that the rules in subsection 85(1) of the Tax Act apply to the exchange of the Exchanged Shares, and the amount to which they agree in the election in respect of the Exchanged Shares will be such amount as is specified by the Vendor.
- (d) For greater certainty:
  - (i) Cura-Can shall promptly notify the Vendor of the termination or cancellation of a Liquidity Event identified in the applicable Notice of Liquidity Event (a "**Termination Event**");
  - (ii) Cura-Can may deliver additional or subsequent Notices of Liquidity Event to the Vendor, but must notify the Vendor in writing of a Termination Event prior to delivery of a new Notice of Liquidity Event; and
  - (iii) the Vendor shall be permitted to exercise the Liquidity Event Option as provided for in Section 2.7(a) following the delivery of each Notice of Liquidity Event.

## ARTICLE 3 CONDITIONS

### 3.1 Conditions for Closing in favour of Cura-Can

The purchase of the Purchased Shares by Cura-Can is subject to the satisfaction of, or compliance with, at or before the Closing, each of the following conditions, which conditions are for the exclusive

benefit of Cura-Can and may only be waived, in whole or in part, by Cura-Can in its sole and unfettered discretion:

- (a) all required consents and approvals of, filings with and notices and applications to any Governmental Authorities shall have been duly obtained, made or given (or in lieu thereof waivers) and shall be in full force and effect;
- (b) all representations and warranties of the Vendor and the Corporation contained in this Agreement will have been true and correct in all material respects on the date of this Agreement and will be true and correct in all respects at the Closing Date, except to the extent that the failure or failures of such representations and warranties to be so true and correct, individually or in the aggregate, has not had or would not reasonably be expected to have a Material Adverse Effect, with the same force and effect as if those representations and warranties had been made at and as of that time, and each of the Vendor and the Corporation will have executed and delivered a certificate of a senior officer of the Vendor and the Corporation, respectively, to that effect;
- (c) the Vendor and the Corporation will have performed or complied with, in all material respects, all obligations and covenants contained in this Agreement to be performed or complied with by it at or before the Closing Date, and each of the Vendor and the Corporation will have executed and delivered a certificate of a senior officer of the Vendor and the Corporation, respectively, to that effect;
- (d) no substantial damage to the property or assets of the Corporation will have occurred from the date of this Agreement to the Closing Date;
- (e) no substantial claim (as determined by Cura-Can, acting reasonably) shall have been made, or threatened to be made, against the Corporation, other than as set forth in Schedule 4.2(a)(xiv);
- (f) no Governmental Authority shall have enacted, issued or promulgated any Applicable Law which has the effect of (i) making any of the transactions contemplated by this Agreement illegal, or (ii) otherwise prohibiting, preventing or restraining the consummation of any of the transactions contemplated by this Agreement; and
- (g) all documents required to be delivered by the Vendor contemplated in Section 6.2(a) and elsewhere in this Agreement to close the within transaction shall have been delivered to Cura-Can's solicitors.

### **3.2 Conditions for Closing in favour of the Vendor**

The sale of the Purchased Shares by the Vendor is subject to the satisfaction of, or compliance with, at or before the Closing Date, each of the following conditions, which conditions are for the exclusive benefit of the Vendor and may only be waived, in whole or in part, by the Vendor in its sole and unfettered discretion:

- (a) all representations and warranties of Cura-Can and TCNC contained in this Agreement will have been true and correct in all material respects on the date of this Agreement and will be true and correct in all material respects at the Closing Date with the same force and effect as if those representations and warranties had been made at and as of that time, and each of Cura-Can and TCNC will have executed and delivered a certificate of a senior officer of Cura-Can and TCNC, respectively, to that effect;
- (b) Cura-Can and TCNC will have performed or complied with, in all material respects, all obligations and covenants contained in this Agreement to be performed or complied with

by it at or before the Closing Date, and each of Cura-Can and TCNC will have executed and delivered a certificate of a senior officer of Cura-Can and TCNC, respectively, to that effect;

- (c) no Governmental Authority shall have enacted, issued or promulgated any law which has the effect of (i) making any of the transactions contemplated by this Agreement illegal, or (ii) otherwise prohibiting, preventing or restraining the consummation of any of the transactions contemplated by this Agreement; and
- (d) all documents required to be delivered by Cura-Can contemplated in Section 6.2(b) and elsewhere in this Agreement to close the within transaction shall have been delivered to the Vendor's solicitors.

#### **ARTICLE 4 REPRESENTATIONS AND WARRANTIES**

##### **4.1 Representations and Warranties of the Vendor and the Corporation**

Each of the Vendor and the Corporation represents and warrants to Cura-Can that, except as specifically disclosed in any of the Schedules hereto:

Authorization, Non-Contravention, etc.

- (a) the Vendor and the Corporation have the power to enter into and perform their obligations under this Agreement;
- (b) this Agreement has been duly and validly executed by the Vendor and the Corporation and constitutes a legal, valid and binding agreement of the Vendor and the Corporation, enforceable against them in accordance with its terms, except as may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights and subject to general principles of equity;
- (c) the Vendor is a "reporting issuer" in each of the Provinces of British Columbia, Alberta and Ontario (as that term is defined under the applicable Canadian securities laws), is not included in a list of defaulting reporting issuers (or equivalent) maintained by the applicable securities regulatory authority in such provinces and the Vendor is in compliance, in all material respects, with applicable Canadian securities laws;
- (d) the Vendor has filed with the applicable securities regulatory authorities and, if applicable, the Exchange, all documents and other materials required to be filed by the Vendor under applicable Canadian securities laws. All such documents at the time filed or, if amended, as of the date of such amendment: (A) did not contain any misrepresentation (as defined in the *Securities Act* (Alberta)); and (B) complied in all material respects with the requirements of applicable Canadian securities laws and the policies of the Exchange, except where such non-compliance has not had and would not reasonably be expected to result in a material adverse change to the Vendor. The Vendor has not filed any confidential material change report with any securities regulatory authority which at the date hereof remains confidential;
- (e) all consents or approvals required in connection with the transactions contemplated by this Agreement have been obtained;

Corporation, Capital, Shares

- (f) the Corporation is a corporation incorporated and existing under the laws of Province of Alberta;
- (g) other than 1964433 Alberta Ltd., the Corporation does not have any subsidiaries;
- (h) the Corporation is not insolvent and no proceedings have been taken or authorized by the Corporation or by any other person with respect to the bankruptcy, insolvency, liquidation, dissolution or winding up of the Corporation or with respect to any amalgamation, merger, consolidation, arrangement, receivership or reorganization of, or relating to the Corporation nor have any such proceedings been threatened by any other person;
- (i) the authorized capital of the Corporation consists of an unlimited number of Class "A" Common Voting Shares, an unlimited number of Class "B" Common Voting Shares, an unlimited number of Class "C" Common Non-Voting Shares and an unlimited number of Preferred Shares, of which the Purchased Shares, and no more, have been duly issued and are outstanding as fully paid and non-assessable shares;
- (j) the Vendor beneficially owns the Purchased Shares with good and valid title thereto, and has the full power and authority to sell the Purchased Shares to Cura-Can;
- (k) the Purchased Shares are, or will at Closing be, free and clear of all liens, charges and encumbrances, other than those restrictions on transfer of the Purchased Shares, if any, stated in the articles of the Corporation;
- (l) the execution and delivery by the Vendor of this Agreement and the performance by the Vendor of its obligations hereunder will not result in (i) the breach or violation of any terms or conditions of: (1) the constituting documents or by-laws of the Vendor or the Corporation; (2) any Applicable Law, regulation or order, or (3) any contract to which the Vendor or the Corporation is a party or by which any of the property or assets of the Vendor or the Corporation may be affected, or (ii) the creation of any lien, charge or encumbrance on any of the Purchased Shares or the property or assets of the Corporation;
- (m) no person (other than Cura-Can under this Agreement) has any written or oral agreement, option, right or privilege capable of becoming an agreement or option to acquire any of the Purchased Shares or to be caused to be issued any unissued securities of the Corporation;

Conduct, Material Contracts

- (n) the Corporation, including all physicians and nurses working with or for the Corporation, has conducted and is conducting the Business and operates and maintains the properties and assets used in the Business in material compliance with all Applicable Laws, rules and regulations including federal and provincial health information and privacy legislation, the *Food and Drug Act*, the *Cannabis Act*, the *Controlled Drugs and Substances Act*, the *Cannabis Exemption (Food and Drug) Regulations*, the *Narcotic Control Regulations*, the *Cannabis Regulations* and the *Natural Health Products Regulations*. The Corporation and its personnel have not made or offered any payments, gratuities or other things of value that are prohibited by any law to a Governmental Authority or personnel thereof in respect of the Business. The Corporation does not carry on any business, other than the Business;

- (o) the Corporation has the corporate power to own or lease its property and to carry on the Business as now being conducted by it and is registered, licensed or otherwise qualified in all the jurisdictions where it owns or leases that property and carries on the Business;
- (p) all agreements material to the carrying-on of the Business which require payments by the Corporation, or result in revenue to the Corporation in excess of \$50,000 in any fiscal year (collectively, the "**Material Contracts**") are listed in Schedule 4.1(p). The Corporation is not in default of any of its obligations under the Material Contracts and, to the knowledge of the Vendor, each other party to the Material Contract is not in default of their respective obligations under the Material Contracts;
- (q) other than the Material Contracts, the Corporation is not party to or bound by, and will not as a result of Closing become a party to or become bound by, any other material agreement, being any agreement that requires the Corporation to incur expenses in excess of \$50,000 per annum and that cannot be terminated by the Corporation on 30 days or less prior notice without penalty;

#### Required Licenses

- (r) the Corporation possesses all Licenses required under Applicable Laws to conduct the Business and to own, use and operate the properties and Assets used in the Business. True and complete copies of all Licenses have been made available to Cura-Can for inspection, and those Licenses are valid and subsisting and in good standing. There is no default under any of the Licenses, and no proceeding is pending or threatened and no grounds exist to revoke, suspend, lapse, limit or amend any of them. None of those Licenses contains any burdensome term, provision, condition or limitation which has or could have an adverse effect on the Corporation or the Business. All personnel working at the medical clinics owned and/or operated by or affiliated with the Corporation have all applicable Licenses necessary to properly perform their respective roles with or for the Corporation. Without limiting the foregoing, all physicians working with or for the Corporation are active members in good standing with the College of Physicians and Surgeons in the province where the clinic where they work is located;

#### Litigation

- (s) except as set forth in Schedule 4.1(s), there are no actions, suits, hearings, arbitrations, audits, charges, orders (draft or otherwise), judgments, injunctions, decrees, awards, writs, proceedings (public or private) or investigations that have been brought by or against any Governmental Authority or any other person pending or, to the knowledge of the Vendor, threatened (collectively, "**Proceedings**"), against or affecting the Purchased Shares or the Corporation or any physicians or nurses working with or for the Corporation or that seek to prevent, enjoin, alter or delay the transactions provided for by this Agreement;

#### Financial Matters

- (t) since the date of incorporation, there have been no material adverse changes in the assets, affairs or financial condition of the Corporation;
- (u) the Corporation has not, directly or indirectly, declared or paid any dividends or declared or made any other distribution or return of capital in respect of any of its shares;
- (v) the Corporation has not entered into any transactions or incurred any obligations or liabilities outside of the ordinary course of the Business and for the purpose of carrying on the same;



- (w) the Corporation has, or will have as at the Closing Date, assigned to the Vendor or otherwise settled all outstanding Related Party Debts and no further debts are (or will be as at the Closing Date) outstanding by the Corporation to any of the Vendor, **[Redacted: Confidential business information]** or **[Redacted: Confidential business information]**;
- (x) the Corporation owns all of the property and assets used by it in connection with the Business with good title, free and clear of all liens, charges and encumbrances;

Financial Statements

- (y) the Corporation has delivered to Cura-Can its unaudited financial statements (including balance sheets, income statements and statements of cash flows) as of June 30, 2019 and for the fiscal year ended December 31, 2018 (collectively, the “**Financial Statements**”). The Financial Statements have been prepared in accordance with GAAP applied on a consistent basis throughout the periods indicated, except that the Financial Statements may not contain all footnotes required by generally accepted accounting principles. The Financial Statements fairly present in all material respects the financial condition and operating results of the Corporation as of the dates, and for the periods, indicated therein, subject in the case of the interim Financial Statements to normal year-end audit adjustments. Except as set forth in the Financial Statements, the Corporation has no liabilities or obligations, contingent or otherwise, other than liabilities incurred in the ordinary course of business subsequent to June 30, 2019;

Assets, Books and Records

- (z) the assets owned, licensed or leased by the Corporation to carry on the Business are free of material defects and include all proprietary rights, intellectual property rights and other property and assets, tangible and intangible, used in connection with the Business;
- (aa) all material tangible assets used in the Business are in good operating condition and in a state of good repair and maintenance, except only for reasonable wear and tear. All tangible assets used in the Business, other than inventory and equipment in transit, are located at the premises used in the day-to-day operation of the Business;
- (bb) all books and records relating to Corporation and the Business (collectively, the “**Books and Records**”) have been duly maintained in accordance with all applicable legal requirements and contain full and accurate records of all material matters relating to the Corporation and the Business. All material financial transactions relating to the Corporation and the Business have been accurately recorded in accordance with generally accepted accounting principles. No Books and Records are in the possession of, recorded, stored, maintained by, or otherwise dependent on, any other person;

Employment Matters

- (cc) Schedule 4.1(cc) sets forth the list of employees of the Corporation and indicates: (i) the titles of all employees and the location of their employment; (ii) the annual wage of each employee at the date of such list, any bonuses paid to each employee since the end of the Corporation’s last completed financial year and before the date of such list, and all other bonuses, incentive schemes, benefits and other material compensation to which each employee is entitled; and (iii) the vacation days to which each employee is entitled on the date of such list;
- (dd) Schedule 4.1(dd) sets forth: (i) all contracts with any employee who is a manager or executive of the Corporation or is being provided with an annual compensation of more



than \$100,000; and (ii) all contracts that provide for severance, termination or similar payments or entitlements of more than \$40,000, including on a change of control of the Corporation;

- (ee) correct and complete copies of all employment contracts of the Corporation have been made available to Cura-Can;
- (ff) all of the Corporation's employees are subject to a written employment contract with the Corporation, and no employees are subject to an oral employment contract or have any oral entitlements in addition to their entitlements under their written employment contracts with the Corporation;
- (gg) no notice in writing has been received by the Corporation of any complaint filed by any of its employees or former employees against the Corporation or any current or former director or officer thereof, or, to the Vendor's knowledge, is threatened or pending, claiming or alleging that the Corporation has violated any laws applicable to the employee or human rights or of any complaints or actions of any kind involving the Corporation or any of the employees before any Governmental Authority, including a labour relations board, tribunal or commission;
- (hh) the Corporation is not party to or bound by any employee benefit plans, programs, agreements or arrangements;

#### Tax Matters

- (ii) the Corporation has paid all Taxes due and payable, including all Taxes shown on Tax returns as being due and payable, and all Taxes payable under any assessment or reassessment;
- (jj) the Vendor is not a "non-resident" of Canada for the purpose of Section 116 of the Tax Act;
- (kk) the Corporation has complied with all registration, reporting, collection, and remittance requirements in respect of Taxes, including in respect of statutory withholdings and in respect of sales tax, including the *Excise Tax Act* (Canada);
- (ll) the Purchased Shares are financial instruments, such that the sale of the Purchased Shares is an exempt supply pursuant to the *Excise Tax Act* (Canada); and

#### Insurance

- (mm) Schedule 4.1(mm) contains a correct and complete list of all insurance policies to which the Corporation or any of its officers or directors is a party or covered, setting out, in respect of each policy, the type of policy, the name of insurer, the coverage allowance, the expiration date, the annual premium and any pending claims. The Corporation is not in default with respect to any of the provisions contained in the insurance policies and has not failed to give any notice or to present any claim under any insurance policy in a due and timely fashion or has provided any information to any insurer in connection with any application for insurance that could result in the cancellation of any insurance policy for the benefit of the Corporation or a denial of coverage for a risk otherwise covered by any such insurance policy or bond. To the knowledge of the Vendor, there are no circumstances in respect of which any person could make a claim under any insurance policy. The Corporation has not received any refusal of insurance coverage or any notice that a defense will be afforded with reservation of rights. Copies of all insurance policies of the Corporation have been delivered to Cura-Can. All physicians working with or for

the Corporation are active members in good standing with the Canadian Medical Protective Association. All nurses working with or for the Corporation are active members in good standing with the Canadian Nurses Protective Society.

#### 4.2 Representations and Warranties of Cura-Can and TCNC

(a) TCNC represents and warrants to the Vendor as follows:

*Authorization, Non-Contravention, etc.*

- (i) the execution and delivery of, and performance by TCNC of this Agreement, and the transfer of the TCNC Share Entitlement upon exercise of the Liquidity Event Option by Cura-Can to the Vendor, if applicable, has been duly authorized by all necessary corporate action on behalf of TCNC;
- (ii) this Agreement constitutes a legal, valid and binding agreement of TCNC, enforceable against it in accordance with its terms, except as may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors' rights and subject to general principles of equity;
- (iii) all consents or approvals required in connection with the transactions contemplated by this Agreement have been obtained;

*Corporation, Capital, Shares*

- (iv) TCNC is a corporation incorporated and existing under the laws of Canada;
- (v) TCNC is a wholly-owned subsidiary of Cura-Can;
- (vi) other than 2563367 Ontario Ltd., Slawner Ortho Ltée, 9937340 Canada Inc. and 9398252 Canada Inc., TCNC does not have any subsidiaries;
- (vii) TCNC is not insolvent and no proceedings have been taken or authorized by TCNC or by any other person with respect to the bankruptcy, insolvency, liquidation, dissolution or winding up of TCNC or with respect to any amalgamation, merger, consolidation, arrangement, receivership or reorganization of, or relating to TCNC nor have any such proceedings been threatened by any other person;
- (viii) the authorized capital of TCNC consists of an unlimited number of Class A Shares, an unlimited number of Class B Shares, an unlimited number of Class C Preferred Shares and an unlimited number of Class D Preferred Shares, of which, of which 3,224 Class A Shares, and no more, have been duly issued and are outstanding as fully paid and non-assessable shares;
- (ix) the Class A Shares are, or will at Closing, be free and clear of all liens, charges and encumbrances, other than those restrictions on transfer on the Class A Shares, if any, stated in the articles of TCNC and such liens, charges and encumbrances granted pursuant to the securities pledge agreement for all of the issued and outstanding shares of TCNC made by Cura-Can in favour of Avonlea-Drewry Holdings Inc. dated March 1, 2019, as amended;
- (x) other than pursuant to: (i) **[Redacted: Confidential business information]**; (ii) **[Redacted: Confidential business information]**; (iii) the exercise of options under the Option Plan; (iv) executed subscription agreements under the Debenture Financing, and (v) Class A Shares issuable pursuant to the conversion of the

promissory notes issued in connection with the Promissory Note Financing, copies of which have been made available to the Vendor and the Corporation, no person (other than the Vendor under this Agreement) has any written or oral agreement, option, right or privilege capable of becoming an agreement or option to acquire any of the Class A Shares or to be caused to be issued any unissued securities of TCNC;

Conduct

- (xi) TCNC, including all physicians and nurses working with or for TCNC, has conducted and is conducting the TCNC Business and operates and maintains the properties and assets used in the TCNC Business in material compliance with all Applicable Laws, rules and regulations including federal and provincial health information and privacy legislation, the *Food and Drug Act*, the *Cannabis Act*, the *Controlled Drugs and Substances Act*, the *Cannabis Exemption (Food and Drug) Regulations*, the *Narcotic Control Regulations*, the *Cannabis Regulations* and the *Natural Health Products Regulations*. TCNC and its personnel have not made or offered any payments, gratuities or other things of value that are prohibited by any law to a Governmental Authority or personnel thereof in respect of the TCNC Business. TCNC does not carry on any business, other than the TCNC Business;
- (xii) TCNC has the corporate power to own or lease its property and to carry on the TCNC Business as now being conducted by it and is registered, licensed or otherwise qualified in all the jurisdictions where it owns or leases that property and carries on the TCNC Business;

Required Licenses

- (xiii) TCNC possesses all Licenses required under Applicable Laws to conduct the TCNC Business and to own, use and operate the properties and Assets used in the TCNC Business. True and complete copies of all Licenses have been made available to the Vendor for inspection, and those Licenses are valid and subsisting and in good standing. There is no default under any of the Licenses, and no proceeding is pending or threatened and no grounds exist to revoke, suspend, lapse, limit or amend any of them. None of those Licenses contains any burdensome term, provision, condition or limitation which has or could have an adverse effect on TCNC or the TCNC Business. All personnel working at the medical clinics owned and/or operated by or affiliated with TCNC have all applicable Licenses necessary to properly perform their respective roles with or for TCNC. Without limiting the foregoing, all physicians working with or for TCNC are active members in good standing with the College of Physicians and Surgeons in the province where the clinic where they work is located;

Litigation

- (xiv) except as set forth in Schedule 4.2(a)(xiv), there are no actions, suits, hearings, arbitrations, audits, charges, orders (draft or otherwise), judgments, injunctions, decrees, awards, writs, proceedings (public or private) or investigations that have been brought by or against any Governmental Authority or any other person pending or, to the knowledge of Cura-Can or TCNC, threatened, against or affecting the Class A Shares or TCNC or any physicians or nurses working with or for TCNC or that seek to prevent, enjoin, alter or delay the transactions provided for by this Agreement;

Financial Matters

- (xv) since the date of incorporation, there have been no material adverse changes in the assets, affairs or financial condition of TCNC;
- (xvi) TCNC has not, directly or indirectly, declared or paid any dividends or declared or made any other distribution or return of capital in respect of any of the Class A Shares;
- (xvii) TCNC owns all of the property and assets used by it in connection with the TCNC Business with good title, free and clear of all liens, charges and encumbrances other than such liens, charges and encumbrances granted pursuant to the general security agreement between TCNC and Avonlea-Drewry Holdings Inc. dated March 1, 2019;

Assets, Books and Records

- (xviii) the assets owned, licensed or leased by TCNC to carry on the TCNC Business are free of material defects and include all proprietary rights, intellectual property rights and other property and assets, tangible and intangible, used in connection with the TCNC Business;
- (xix) all material tangible assets used in the TCNC Business are in good operating condition and in a state of good repair and maintenance, except only for reasonable wear and tear. All tangible assets used in the TCNC Business, other than inventory and equipment in transit, are located at the premises used in the day-to-day operation of the TCNC Business;
- (xx) all books and records relating to TCNC and the TCNC Business (collectively, the “**TCNC Books and Records**”) have been duly maintained in accordance with all applicable legal requirements and contain full and accurate records of all material matters relating to TCNC and the TCNC Business. All material financial transactions relating to TCNC and the TCNC Business have been accurately recorded in accordance with generally accepted accounting principles. No TCNC Books and Records are in the possession of, recorded, stored, maintained by, or otherwise dependent on, any other person; and

Tax Matters

- (xxi) **[Redacted: Confidential business information]**, TCNC has paid all Taxes due and payable, including all Taxes shown on Tax returns as being due and payable, and all Taxes payable under any assessment or reassessment.

- (b) Cura-Can represents and warrants to the Vendor as follows:

Authorization, Non-Contravention, etc.

- (i) the execution and delivery of, and performance by Cura-Can of this Agreement, the purchase of the Purchased Shares, and the issuance of Class A Shares and the Liquidity Event Option has been duly authorized by all necessary corporate action on behalf of Cura-Can;
- (ii) this Agreement constitutes a legal, valid and binding agreement of Cura-Can, enforceable against it in accordance with its terms, except as may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditors’ rights and subject to general principles of equity;

- (iii) all consents or approvals required in connection with the transactions contemplated by this Agreement have been obtained;

Corporation, Capital, Shares

- (iv) Cura-Can is a corporation incorporated and existing under the laws of Canada;
- (v) Cura-Can beneficially owns all of the issued and outstanding Class A Shares of TCNC with good and valid title thereto;
- (vi) other than TCNC, Cura-Can does not have any subsidiaries;
- (vii) Cura-Can is not insolvent and no proceedings have been taken or authorized by Cura-Can or by any other person with respect to the bankruptcy, insolvency, liquidation, dissolution or winding up of Cura-Can or with respect to any amalgamation, merger, consolidation, arrangement, receivership or reorganization of, or relating to Cura-Can nor have any such proceedings been threatened by any other person;
- (viii) the authorized capital of Cura-Can consists of an unlimited number of Class A Shares, an unlimited number of Class B Shares, an unlimited number of Class C Preferred Shares and an unlimited number of Class D Preferred Shares, of which 19,238,256 Class A Shares, and no more, have been duly issued and are outstanding as fully paid and non-assessable shares;
- (ix) the Class A Shares are, or will at Closing, be free and clear of all liens, charges and encumbrances, other than those restrictions on transfer on the Class A Shares, if any, stated in the articles of Cura-Can;
- (x) other than pursuant to: (i) **[Redacted: Confidential business information]**; (ii) the exercise of options under the Option Plan; (iii) the exercise of up to 2,025,000 Class A Share purchase warrants; (iv) the conversion of the outstanding principal into Class A Shares by Avonlea-Drewry Holdings Inc. pursuant to the credit facility agreement between Avonlea-Drewry Holdings Inc., as lender, and Cura-Can, as borrower, dated March 1, 2019; (v) Class A Shares issued pursuant to the Finders Fee Agreement; and (vi) Class A Shares issuable pursuant to the conversion of the promissory notes issued in connection with the Promissory Note Financing copies of which have been made available to the Vendor and the Corporation, no person (other than the Vendor under this Agreement) has any written or oral agreement, option, right or privilege capable of becoming an agreement or option to acquire any of the Class A Shares or to be caused to be issued any unissued securities of Cura-Can;

Conduct

- (xi) Cura-Can, including all physicians and nurses working with or for Cura-Can, has conducted and is conducting the Cura-Can Business and operates and maintains the properties and assets used in the Cura-Can Business in material compliance with all Applicable Laws, rules and regulations including federal and provincial health information and privacy legislation, the *Food and Drug Act*, the *Cannabis Act*, the *Controlled Drugs and Substances Act*, the *Cannabis Exemption (Food and Drug) Regulations*, the *Narcotic Control Regulations*, the *Cannabis Regulations* and the *Natural Health Products Regulations*. Cura-Can and its personnel have not made or offered any payments, gratuities or other things of value that are prohibited by any law to a Governmental Authority or personnel thereof in respect

of the Cura-Can Business. Cura-Can does not carry on any business, other than the Cura-Can Business;

- (xii) Cura-Can has the corporate power to own or lease its property and to carry on the Cura-Can Business as now being conducted by it and is registered, licensed or otherwise qualified in all the jurisdictions where it owns or leases that property and carries on the Cura-Can Business;

Required Licenses

- (xiii) Cura-Can possesses all Licenses required under Applicable Laws to conduct the Cura-Can Business and to own, use and operate the properties and Assets used in the Cura-Can Business. True and complete copies of all Licenses have been made available to the Vendor for inspection, and those Licenses are valid and subsisting and in good standing. There is no default under any of the Licenses, and no proceeding is pending or threatened and no grounds exist to revoke, suspend, lapse, limit or amend any of them. None of those Licenses contains any burdensome term, provision, condition or limitation which has or could have an adverse effect on Cura-Can or the Cura-Can Business. All personnel working at the medical clinics owned and/or operated by or affiliated with Cura-Can have all applicable Licenses necessary to properly perform their respective roles with or for Cura-Can. Without limiting the foregoing, all physicians working with or for Cura-Can are active members in good standing with the College of Physicians and Surgeons in the province where the clinic where they work is located;

Litigation

- (xiv) except as set forth in Schedule 4.2(b)(xiv), there are no actions, suits, hearings, arbitrations, audits, charges, orders (draft or otherwise), judgments, injunctions, decrees, awards, writs, proceedings (public or private) or investigations that have been brought by or against any Governmental Authority or any other person pending or, to the knowledge of Cura-Can, threatened, against or affecting the Class A Shares or Cura-Can or any physicians or nurses working with or for Cura-Can or that seek to prevent, enjoin, alter or delay the transactions provided for by this Agreement;

Financial Matters

- (xv) since the date of incorporation, there have been no material adverse changes in the assets, affairs or financial condition of Cura-Can;
- (xvi) Cura-Can has not, directly or indirectly, declared or paid any dividends or declared or made any other distribution or return of capital in respect of any of the Class A Shares;
- (xvii) Cura-Can owns all of the property and assets used by it in connection with the Cura-Can Business with good title, free and clear of all liens, charges and encumbrances other than such liens, charges and encumbrances granted pursuant to the general security agreement between Cura-Can and Avonlea-Drewry Holdings Inc. dated March 1, 2019;

Assets, Books and Records

- (xviii) the assets owned, licensed or leased by Cura-Can to carry on the Cura-Can Business are free of material defects and include all proprietary rights, intellectual

property rights and other property and assets, tangible and intangible, used in connection with the Cura-Can Business;

- (xix) all material tangible assets used in the Cura-Can Business are in good operating condition and in a state of good repair and maintenance, except only for reasonable wear and tear. All tangible assets used in the Cura-Can Business, other than inventory and equipment in transit, are located at the premises used in the day-to-day operation of the Cura-Can Business;
- (xx) all books and records relating to Cura-Can and the Cura-Can Business (collectively, the “**Cura-Can Books and Records**”) have been duly maintained in accordance with all applicable legal requirements and contain full and accurate records of all material matters relating to Cura-Can and the Cura-Can Business. All material financial transactions relating to Cura-Can and the Cura-Can Business have been accurately recorded in accordance with generally accepted accounting principles. No Cura-Can Books and Records are in the possession of, recorded, stored, maintained by, or otherwise dependent on, any other person; and

Tax Matters

- (xxi) Cura-Can has paid all Taxes due and payable, including all Taxes shown on Tax returns as being due and payable, and all Taxes payable under any assessment or reassessment.

#### 4.3 Survival

- (a) The representations and warranties of Cura-Can and TCNC shall survive the Closing for twenty-four (24) months from the Closing Date and, notwithstanding such Closing or any investigation made by or on behalf of the Vendor, shall continue in full force and effect for the benefit of the Vendor during such period.
- (b) Notwithstanding Section 4.3(a), any claim which is based upon or relates to the Fundamental Representations and Warranties or which is based upon intentional misrepresentation or fraud by Cura-Can or TCNC may be made or brought by the Vendor at any time for the maximum period permitted by law.
- (c) The representations and warranties of the Vendor shall survive the Closing for twenty-four (24) months from the Closing Date and, notwithstanding such Closing, shall continue in full force and effect for the benefit of Cura-Can during such period.
- (d) Notwithstanding Section 4.3(c):
  - (i) the representations and warranties of the Vendor contained in Sections 4.1(ii) through 4.1(II) survive the Closing, for the benefit of Cura-Can, until three (3) months after the latest of (i) the expiration of the applicable limitation period under any Applicable Law with respect to Taxes (including the Tax Act); and (ii) the date of the expiry of the period of time within which the decision in relation to the subject matter hereof of one or more courts of competent jurisdiction may be appealed; and
  - (ii) any claim which is based upon or relates to the Fundamental Representations and Warranties or which is based upon intentional misrepresentation or fraud by the Vendor may be made or brought by Cura-Can at any time for the maximum period permitted by law.



## **ARTICLE 5 COVENANTS**

### **5.1 Mutual Covenants**

Each Party covenants that, during the period from the date of this Agreement to the Closing Date:

- (a) each Party shall use its commercially reasonable efforts to satisfy, or cause the satisfaction of, as soon as reasonably practicable, each of the conditions set forth in 2.6(b)(ii) to the extent the same is within its power or control;
- (b) each Party shall notify the other Parties of any written notice or other written communication from any Governmental Authority in connection with this Agreement and shall contemporaneously provide a copy of such written notice or communication to the other Parties and provide the other Parties with an opportunity to review and comment upon any written communications to be sent by such Party to any Governmental Authority, other than disclosures of confidential personal information; and
- (c) each Party shall refrain from taking any action that would cause any of the representations and warranties of such Party under this Agreement to not be true and correct at the Closing Date.

### **5.2 Covenants of Vendor Regarding Conduct of Business**

The Vendor covenants that, during the period from the date of this Agreement to the Closing Date:

- (a) the Vendor shall, and shall cause the Corporation to, permit Cura-Can to examine all Books and Records and the Corporation's property and assets, it being understood that no examination by Cura-Can will waive, diminish the scope of, or otherwise affect any representation or warranty made by the Vendor;
- (b) the Vendor shall cause the Corporation to maintain its property and assets in good order and repair; and
- (c) the Vendor shall ensure that the Corporation does not, without the prior written consent of Cura-Can, do or agree to do any of the following:
  - (i) enter into any agreement or arrangement with any officers, directors, agents or employees or amend any existing agreement or arrangement with any of those persons;
  - (ii) enter into any transaction or incur any obligation or liability, except in the ordinary course of the Business;
  - (iii) commit or authorize any commitment to make any capital expenditures;
  - (iv) amend or propose to amend the organizational documents of the Corporation or declare, set aside or pay any non-cash or cash dividend or distribution to any person;
  - (v) take any step to dissolve, wind-up or otherwise affect its continuing corporate existence or amalgamate or merge with any company or amend the Corporation's articles or by-laws;

- (vi) create or assume any long-term indebtedness or guarantee the obligations of any third party, except in the ordinary course of the Business;
- (vii) purchase, sell, lease or otherwise alienate or dispose of any of its property or assets, except in the ordinary course of the Business;
- (viii) cancel, waive or vary the terms of any debt owing to or any claim or right of the Corporation; or
- (ix) issue any shares or other securities or make any change in the number or class of or rights attached to any issued or unissued shares of its capital stock or grant, issue or make any option, warrant, subscription, convertible security or other right or commitment to purchase or acquire any shares of its capital stock or other securities.

### **5.3 Post-Closing Covenants of Vendor**

The Vendor covenants that, after the Closing:

- (a) the Vendor shall provide a minimum of two full-time equivalent physicians to the Corporation to handle patient appointments at the Lethbridge clinic (until the return of Dr. Paul Lewis) and the Medicine Hat clinic;
- (b) the Vendor shall provide a new physician consulting agreement for an additional clinician for the Corporation at its Medicine Hat location;
- (c) the Vendor shall provide reasonable assistance from its staff (including Ryan Marcinew) for a maximum of two hours per week and for a period of four months, as reasonably required by the Corporation, to assist with post-closing transition (including transition with respect to financial records); and
- (d) the Vendor shall provide confirmation of ownership by Cura-Can of all software and associated rights to SPARK platform and related application programming interface to Ample Organics and Input Health Software.

## **ARTICLE 6 CLOSING ARRANGEMENTS**

### **6.1 Date and Place of Closing**

Subject to the terms and conditions of this Agreement, the purchase and sale of the Purchased Shares contemplated hereby shall take place at the Closing to be held on the Closing Date at the offices of Dentons Canada LLP at 15<sup>th</sup> Floor, 850 – 2<sup>nd</sup> Street S.W., Calgary, Alberta.

### **6.2 Payments and Deliveries at Closing**

At the Closing:

- (a) the Vendor shall deliver to Cura-Can the following (if applicable, in form and substance satisfactory to Cura-Can, acting reasonably):
  - (i) certified copies of the resolutions of the director(s) and, if applicable, the shareholder(s), of the Vendor authorizing entering into and completion of the transactions contemplated by this Agreement;

- (ii) certified copies of the resolutions of the directors of the Corporation authorizing transfer of the Purchased Shares to Cura-Can;
  - (iii) a certificate of status with respect to the Vendor and the Corporation, issued by the appropriate Governmental Authority in their respective jurisdictions of incorporation;
  - (iv) evidence that all necessary filings have been made with the Exchange with respect to the sale of the Purchased Shares;
  - (v) share certificates representing the Purchased Shares, duly endorsed in blank for transfer, or accompanied by an irrevocable security transfer power of attorney duly executed;
  - (vi) a release by the Vendor and the directors and officers of the Corporation in favour of the Corporation for any and all claims that the Vendor or such directors or officers may have against the Corporation as at the Closing Date;
  - (vii) the minute book and seal (if any) for the Corporation;
  - (viii) evidence that the Corporation has discharged all of the Related Party Debts;
  - (ix) evidence that the Vendor has used reasonable commercial efforts to obtain proper landlord acknowledgments with respect to the re-purposing use of the existing clinic leases as chronic pain centres;
  - (x) an executed sublease agreement between the Vendor and the Corporation for the property located at 400, 355 – 4<sup>th</sup> Avenue SW in Calgary, Alberta, which shall contemplate: (i) a month-to-month sublease until the earlier of June 30, 2020 or 30 days' prior written notice by the Corporation that it wishes to vacate, and (ii) the monthly rent being borne by the Vendor and the Corporation on a 50/50 basis;
  - (xi) confirmation that the net working capital of the Corporation as of October 31, 2019 was not less than zero;
  - (xii) a release of the Vendor and the Corporation in favour of Cura-Can and TCNC with respect to the matters set out in the letters of Borden Ladner Gervais LLP dated October 1, 2019 and October 17, 2019; and
  - (xiii) confirmation of Dr. Paul Lewis' return to work; and
- (b) Cura-Can shall deliver to the Vendor the following in form and substance satisfactory to the Vendor, acting reasonably:
- (i) certified copies of the resolutions of the board of directors of Cura-Can authorizing the entering into and completion of the transactions contemplated by this Agreement, including the issuance of the Class A Shares;
  - (ii) a certificate of status, compliance, good standing or like certificate with respect to Cura-Can, issued by the appropriate Governmental Authority in its jurisdiction of incorporation;
  - (iii) a Class A Share certificate representing an aggregate of 6,400,000 Class A Shares of Cura-Can registered in the name of the Vendor, equivalent to the outstanding

Security Consideration portion of the Purchase Price minus the Holdback Shares;  
and

- (iv) the Liquidity Event Option Agreement; and
- (c) Cura-Can shall deliver a Class A Share certificate representing the Holdback Shares registered in the name of the Vendor to Cura-Can's counsel, to be held in trust for the Vendor.

## **ARTICLE 7 SURVIVAL AND INDEMNIFICATION**

### **7.1 Indemnification by the Vendor**

If the sale and purchase of the Purchased Shares is completed, the Vendor shall indemnify and save Cura-Can and the Corporation fully harmless against, and will reimburse it/them for, any Damages (as defined in Section 7.7) suffered by or asserted against it/them, directly or indirectly, arising from, in connection with or related to:

- (a) any incorrectness in or breach of any representation or warranty of the Vendor or the Corporation contained in this Agreement or any agreement delivered pursuant to this Agreement;
- (b) any breach or non-fulfilment of any covenant or obligation on the part of the Vendor or the Corporation contained in this Agreement or any agreement delivered pursuant to this Agreement; and
- (c) any Damages payable by the Corporation in respect of the Proposed Class Action Claims provided that the Vendor shall have the right, at its expense, to assume control of the negotiation, settlement or defence of the Proposed Class Action Claims, and Cura-Can shall co-operate fully with the Vendor with respect to the Proposed Class Action Claims (including supplying copies of all relevant documentation promptly as it becomes available).

### **7.2 Indemnification by Cura-Can**

If the sale and purchase of the Purchased Shares is completed, Cura-Can shall indemnify and save the Vendor fully harmless against, and will reimburse it for, any Damages (as defined in Section 7.7) suffered by or asserted against it arising from, in connection with or related to:

- (a) any incorrectness in or breach of any representation or warranty of Cura-Can or TCNC, as the case may be, contained in this Agreement or any agreement delivered pursuant to this Agreement; and
- (b) any breach or non-fulfilment of any covenant or obligation on the part of or Cura-Can or TCNC, as the case may be, contained in this Agreement or any agreement delivered pursuant to this Agreement.

### **7.3 Limitation of Liability**

- (a) Except in cases of fraud or breaches of the Fundamental Representation and Warranty of the Vendor and the Corporation, the Corporation shall not be required to provide indemnification for Damages under Section 7.1(a) or (b) to Cura-Can until the aggregate of all such amounts for which it would otherwise be entitled to require payment exceeds \$50,000.

- (b) Except in cases of fraud or breaches of the Fundamental Representation and Warranty of Cura-Can and TCNC, Cura-Can shall not be required to provide indemnification for Damages under Section 7.2(a) or (b) to the Vendor until the aggregate of all such amounts for which it would otherwise be entitled to require payment exceeds \$50,000.
- (c) For purposes of determining the liability and indemnity obligations under this Agreement, Damages shall be limited to actual Damages, and no Party shall be entitled to consequential, punitive, special or similar Damages, including, but not limited to, Damages for lost profit.
- (d) Other than in the case of Section 7.1(c) in respect of the Proposed Class Action Claims, in no event, regardless of the basis or cause, shall the aggregate liability of the Vendor to Cura-Can under this Agreement exceed an aggregate amount equal to \$4,500,000, being 50% of the Purchase Price that has been paid or is payable to the Vendor.
- (e) In no event, regardless of the basis or cause, shall the aggregate liability of Cura-Can to the Vendor under this Agreement exceed an aggregate amount equal to \$4,500,000, being 50% of the Purchase Price that has been paid or is payable to the Vendor.

#### 7.4 Notice of Claim for Damages

- (a) If any Damages are suffered by or asserted against a Party, that Party (the “**Indemnified Person**”) shall promptly notify the other Party (the “**Indemnifier**”) in writing of that claim (a “**Claim**”) for Damages. The notice will describe whether the Claim arises as a result of a claim by a Person against the Indemnified Person (a “**Third Party Claim**”) or whether the Claim does not so arise (a “**Direct Claim**”), and will in reasonable detail and indicate, if reasonably practicable, the nature and amount of the potential Damages arising therefrom. Notice to an Indemnifier in accordance with this Section will constitute assertion of a Claim for indemnification against the Indemnifier under this Article 7.
- (b) Upon receipt of a notice of a Direct Claim under Section 7.4(a), the Indemnifier will then have a period of 45 days to make such investigation of the Claim as is considered necessary or desirable within which to respond in writing to that claim. For the purpose of such investigation, the Indemnified Person shall make available to the Indemnifier the information relied upon by the Indemnified Person to substantiate the Claim, together with all such other information as the Indemnifier may reasonably request. If both Parties agree at or prior to the expiration of such 45-day period (or any mutually agreed upon extension thereof) to the validity and amount of such Claim, the Indemnifier shall immediately pay in cash to the Indemnified Person the full agreed-upon amount of the Claim, failing which the matter shall be referred to binding arbitration in such manner as the Parties may agree or, failing such agreement, shall be determined by a court of competent jurisdiction.
- (c) Failure by an Indemnified Person to give timely notice of a claim for Damages will not relieve an Indemnifier from the obligation to indemnify the Indemnified Person, unless, if, through the fault of the Indemnified Person, the Indemnifier does not receive notice of any claim for Damages in time to contest effectively the determination of any liability susceptible of being contested or to assert a right to recover an amount under any applicable insurance coverage, the Indemnifier shall be entitled to set off against the amount claimed by the Indemnified Person the amount of any losses incurred by the Indemnifier resulting from the Indemnified Person’s failure to give such notice on a timely basis.

#### 7.5 Third Party Claims

- (a) The Indemnifier shall have the right, at its expense, to participate in or assume control of the negotiation, settlement or defence of any Third Party Claim and if the Indemnifier assumes control, it shall reimburse the Indemnified Person for all of the Indemnified Person's reasonable out-of-pocket expenses prior to the time the Indemnifier assumed control. If the Indemnifier elects to assume such control, the Indemnified Person shall have the right to participate in the negotiation, settlement or defense of such Third Party Claim and to retain counsel to act on its behalf, provided that the fees and disbursements of such counsel shall be paid by the Indemnified Person unless the Indemnifier consents to the retention of such counsel or unless the named parties to any action or proceeding include both the Indemnifier and the Indemnified Person and representation of both the Indemnifier and the Indemnified Person by the same counsel would be inappropriate due to actual or potential differing interests between them (such as the availability of different defences).
- (b) If the Indemnifier, having elected to assume such control, thereafter fails to defend the Third Party Claim within a reasonable time, the Indemnified Person shall be entitled to assume such control and the Indemnifier shall be bound by the results obtained by the Indemnified Person with respect to the Third Party Claim, subject to paragraph (d) of this Section 7.5.
- (c) If any Third Party Claim is of a nature such that the Indemnified Person is required by Applicable Law to incur losses or make a payment to any Person (a "**Third Party**") with respect to the Third Party Claim before the completion of settlement negotiations or related legal proceedings, the Indemnified Person shall promptly give the Indemnifier notice of the requirement with reasonable particulars then known to the Indemnified Person and thereafter may incur such Damages or make such payment and the Indemnifier shall, forthwith after demand by the Indemnified Person, reimburse the Indemnified Person for such payment. If the amount of any liability of the Indemnified Person under the Third Party Claim in respect of which such payment was made, as finally determined, is less than the amount that was paid by the Indemnifier to the Indemnified Person, the Indemnified Person shall, forthwith after the receipt of the difference from the Third Party, pay the amount of such difference, together with any interest thereon paid by the Third Party to the Indemnified Person. In addition, the Indemnifier shall post all security required by any court, regulatory body or other authority having jurisdiction, including without limitation, for purposes of enabling the Indemnifier to contest any Third Party Claim.
- (d) If the Indemnifier fails to assume control of the defense of any Third Party Claim or defaults in respect of any of its obligations under this Section 7.5 with respect thereto, the Indemnified Person shall have the exclusive right to contest the amount claimed and may settle and pay the same on 14 days prior written notice to the Indemnifier and the Indemnifier shall, thereupon, be deemed to have agreed that such settlement is reasonable and may be agreed to by the Indemnified Person and all other Persons liable in respect of the Third Party Claim unless within such 14-day period the Indemnifier notifies the Indemnified Person that it is assuming or reassuming control of such defense and thereafter assumes or reassumes control of the defense and does not default.
- (e) The Indemnified Person and the Indemnifier shall co-operate fully with each other with respect to Third Party Claims, and shall keep each other fully advised with respect thereto (including supplying copies of all relevant documentation promptly as it becomes available).

## 7.6 Exclusive Remedy

The indemnification provisions of this Agreement: (a) shall be the sole and exclusive remedy following the Closing with respect to any breach or non-fulfillment of any representation, warranty,

agreement, covenant or any other obligation contained in this Agreement; (b) shall apply without regard to, and shall not be subject to, any limitation by reason of set-off, limitation or otherwise; and (c) are intended to be comprehensive and not to be limited by any requirements of Applicable Law concerning prominence of language or waiver of any legal right under any Applicable Law (including rights under any workers compensation statute or similar statute conferring immunity from suit).

## 7.7 Damages

For the purposes of this Agreement, “**Damages**” means any damages (available at law or in equity), losses, liabilities, claims, debts, charges, fines, penalties, costs or expenses, including the costs and expenses of any legal proceeding, settlement or compromise (including legal expenses on a solicitor-client full indemnity basis).

## ARTICLE 8 TAX MATTERS

### 8.1 Tax Returns

- (a) The Vendor shall, at its cost, cause the Corporation to prepare and file in a timely fashion all Tax returns required under any applicable Tax legislation (“**Tax Returns**”) to be filed by the Corporation for: (i) any period ending on or before the Closing Date (including as a consequence of the Closing) and for which Tax Returns have not been filed as of that date; and (ii) any period beginning prior to the Closing Date and ending after the Closing Date (collectively, the “**Stub Period Returns**”).
- (b) The Vendor and Cura-Can shall co-operate fully in good faith with each other and make available to each other in a timely fashion any information in their respective possession and that is reasonably required for the preparation and filing of the Stub Period Returns, and shall preserve that information in their respective possession until the expiration of any applicable limitation period under any applicable tax legislation. The Vendor shall provide to Cura-Can (and its tax advisors) for its review and approval a copy of the Stub Period Returns and Tax Returns 30 days prior to filing and Cura-Can will have the opportunity to fully comment on those Stub Period Returns prior to filing.
- (c) From and after the Closing Date, Cura-Can shall cause the Corporation to retain, until the expiration of any applicable limitation period under any applicable tax legislation, all Books and Records relating to any period ending on or before the Closing Date (including as a consequence of Closing) and that are reasonably required for the purpose of the preparation and filing of the Stub Period Returns. So long as such Books and Records are retained by the Corporation, the Vendor may inspect the same for the purpose of the preparation and filing of the Stub Period Returns.
- (d) After Closing, Cura-Can shall cause the Corporation to co-operate in a reasonable manner with the Vendor and its representatives for the purposes of the preparation of the Vendor’s accounts and the Tax Returns and in providing any information in the possession of the Corporation and that is reasonably required for those purposes. Without limiting the generality of the foregoing, Cura-Can shall, upon reasonable notice, cause the Corporation to provide the Vendor and its representatives reasonable access to those Books and Records in the possession of the Corporation that are reasonably required for the preparation of the Vendor’s accounts and the Tax Returns together with the assistance of those employees of the Corporation that the Vendor may reasonably request.

## ARTICLE 9 MISCELLANEOUS



## 9.1 Notices

(a) Any notice, direction or other communication (in this Section, a “**notice**”) regarding the matters contemplated by this Agreement must be in writing and must be delivered personally, sent by courier or transmitted by email, as follows:

(i) in the case of the Vendor or the Corporation, at:

Sunniva Inc.  
1525 Faraday Ave., Suite 180,  
Carlsbad, California 92010  
Attention: Legal Department  
Email: **[Redacted: Confidential business information]**

with a copy to:

Borden Ladner Gervais LLP  
1200 Waterfront Centre  
200 Burrard St, P.O. Box 48600  
Vancouver, British Columbia V7X 1T2  
Attention: Warren Learmonth  
Email: **[Redacted: Confidential business information]**

(ii) in the case of Cura-Can, at

Cura-Can Health Corp.  
10 Four Seasons Place, 5<sup>th</sup> Floor  
Etobicoke, Ontario M9B 6H7  
Attention: Michael Steele, President and Chief Executive Officer  
Email: **[Redacted: Confidential business information]**

With a copy to:

Dentons Canada LLP  
15<sup>th</sup> Floor, 850 – 2<sup>nd</sup> Street SW  
Calgary, Alberta T2P 0R8  
Attention: James O’Sullivan  
Email: **[Redacted: Confidential business information]**

(b) A notice is deemed to be delivered and received (i) if delivered personally, on the date of delivery if delivered prior to 5:00 p.m. (recipient’s time) on a Business Day and otherwise on the next Business Day; (ii) if sent by same-day courier, on the date of delivery if delivered prior to 5:00 p.m. (recipient’s time) on a Business Day and otherwise on the next Business Day; (iii) if sent by overnight courier, on the next Business Day; or (iv) if transmitted by email, on the Business Day following the date the email was sent.

(c) A Party may change its address for service from time to time by notice given in accordance with the foregoing provisions.

## 9.2 Public Announcements

No press release, public statement or announcement or other public disclosure regarding this Agreement or the transactions contemplated by this Agreement may be made prior to Closing without the prior written consent and joint approval of the Vendor and Cura-Can, except if required by Applicable Laws or a Governmental Authority; if disclosure is required by Applicable Laws or a Governmental Authority, the Party that is required (or whose affiliate may be required) to make the

disclosure shall, without unreasonable delay, notify the other Party of the request or requirement before any disclosure is made and make all reasonable efforts to obtain the approval of the other Party as to the form, nature and extent of the disclosure. After the Closing, the Vendor may issue a press release, public statement or announcement or other public disclosure regarding this Agreement or the transactions contemplated by this Agreement, if: (i) such disclosure is required by Applicable Law or a Governmental Authority; or (ii) Cura-Can provides prior written consent. Notwithstanding the above, the Vendor may disclose only the name of Cura-Can to the counterparties to the Material Contracts requiring prior notice or approval, for the purpose of obtaining such counterparties' consent to the change of control of the Corporation. The Vendor and Cura-Can agree to work together in good faith to settle the form of initial press release regarding the transactions contemplated by this Agreement and release the same on such date as the Parties may agree upon.

### **9.3 Further Assurances**

Each Party shall from time to time, before or after the Closing, cooperate in good faith with the other parties and execute, acknowledge and deliver or cause to be executed, acknowledged and delivered all further acts, documents and instruments as may be reasonably necessary or desirable in order to give full effect to this Agreement or any provision of it.

### **9.4 Costs and Expenses**

Unless otherwise specified in this Agreement, each Party shall be responsible for all costs and expenses (including the fees and disbursements of legal counsel, bankers, investment bankers, accountants, brokers and other advisors) incurred by it in connection with this Agreement and the transactions contemplated by it.

### **9.5 Waiver of Rights**

Any waiver of any of the provisions of this Agreement will be binding only if it is in writing and signed by the Party to be bound by it, and only in the specific instance and for the specific purpose for which it has been given. The failure or delay of any Party in exercising any right under this Agreement will not operate as a waiver of that right. No single or partial exercise of any right will preclude any other or further exercise of that right or the exercise of any other right, and no waiver of any of the provisions of this Agreement will constitute a waiver of any other provision (whether or not similar).

### **9.6 Remedies Cumulative**

Unless otherwise specified, the rights and remedies of a Party under this Agreement are cumulative and in addition to and without prejudice to any other rights or remedies available to that Party at law, in equity or otherwise, and unless otherwise specified, no single or partial exercise by a Party of any right or remedy precludes or otherwise affects the exercise of any other right or remedy to which that Party may be entitled.

### **9.7 Severability**

If any provision of this Agreement or its application to any party or circumstance is determined by a court of competent jurisdiction to be illegal, invalid or unenforceable, it will be ineffective only to the extent of its illegality, invalidity or unenforceability without affecting the validity or the enforceability of the remaining provisions of this Agreement and without affecting its application to other parties or circumstances.

### **9.8 Successors and Assignment**

This Agreement will enure to the benefit of and be binding upon the Parties and their respective successors but neither this Agreement nor any of the rights or obligations under this Agreement is assignable or transferable by either Cura-Can or the Vendor without the prior written consent of the other Party.

**9.9 Entire Agreement**

This Agreement constitutes the entire agreement among the Parties with respect to the transactions contemplated by this Agreement. There are no representations, warranties, terms, conditions, covenants or other understandings, express or implied, collateral, statutory or otherwise, between the Parties, except as expressly stated in this Agreement.

**9.10 Governing Law**

This Agreement will be construed, interpreted and enforced in accordance with the laws of the province of Alberta and the federal laws of Canada applicable therein.

**9.11 Counterparts and Delivery**

This Agreement may be executed in any number of counterparts and delivered by electronic means.

*[Remainder of this page intentionally left blank. Signature page follows.]*

**IN WITNESS WHEREOF**, this Agreement has been executed by the Parties.

**SUNNIVA INC.**

Per: (Signed) Anthony Holler  
Name: Anthony Holler  
Title: Chairman and Chief Executive Officer

**NATURAL HEALTH SERVICES LTD.**

Per: (Signed) Mark Kimmins  
Name: Mark Kimmins  
Title: President

**CURA-CAN HEALTH CORP.**

Per: (Signed) Michael Steele  
Name: Michael Steele  
Title: President

**THE CLINIC NETWORK CANADA INC.**

Per: (Signed) Kim Wei  
Name: Kim Wei  
Title: Chief Strategy Officer

**SCHEDULE A**

**FORM OF LIQUIDITY EVENT OPTION AGREEMENT**

**(See attached.)**

## LIQUIDITY EVENT OPTION AGREEMENT

This Liquidity Event Option Agreement (this "**Liquidity Event Option Agreement**"), is made as of December \_\_\_\_\_, 2019

### BETWEEN

**SUNNIVA INC.**,  
a Canadian corporation ("**Sunniva**")

AND

**CURA-CAN HEALTH CORP.**,  
a Canadian corporation ("**Cura-Can**")

Reference is made to the amended and restated share purchase agreement dated \_\_\_\_\_, 2019 (the "**Purchase Agreement**") among Sunniva, Cura-Can, Natural Health Services Ltd. ("**NHS**") and The Clinic Network Canada Inc. ("**TCNC**"), to which this Liquidity Event Option Agreement is appended. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Purchase Agreement.

**WHEREAS** pursuant to the Purchase Agreement, Cura-Can acquired from Sunniva all of the issued and outstanding shares in the capital of NHS in exchange for, among other things, 7,000,000 Cura Shares (subject to adjustment in accordance with the terms of the Purchase Agreement) (the "**Consideration Shares**");

**AND WHEREAS** in accordance with the terms of the Purchase Agreement, Cura-Can desires to grant to Sunniva the right to exchange, in the event of a Liquidity Event of TCNC, all or a portion of the Consideration Shares held by Sunniva for TCNC Shares, on the terms and conditions set forth herein.

**NOW, THEREFORE**, in consideration of the foregoing and the mutual and dependent covenants hereinafter set forth, the parties agree as follows:

#### 1. Definitions.

- a. "**Cura Shares**" means Class A common shares in the capital of Cura-Can;
- b. "**Entitlement Percentage**" means the quotient, expressed as a percentage, obtained by dividing (A) the number of Exchanged Shares, by (B) the total issued and outstanding Cura Shares as at the date of the Notice of Liquidity Event;
- c. "**Exchanged Shares**" means the number of Consideration Shares that Sunniva elects to surrender to Cura-Can pursuant to its exercise of the Liquidity Event Option;
- d. "**TCNC Share Entitlement**" means that number of TCNC Shares (rounded to the nearest whole share) required to be transferred from Cura-Can to Sunniva immediately prior to the closing of the Liquidity Event, such that at the time of closing of the Liquidity Event, Sunniva is the registered holder of that number of TCNC Shares, which when divided by the total number of TCNC Shares, and expressed as a percentage, is equal to the Entitlement Percentage; and
- e. "**TCNC Shares**" means all of the issued and outstanding Class A common shares in the capital of TCNC as at the date of the Notice of Liquidity Event.

#### 2. Grant of Liquidity Event Option.

- a. **Liquidity Event Option.** Subject to the terms and conditions of this Liquidity Event Option Agreement, if Cura-Can delivers to Sunniva a Notice of Liquidity Event, Sunniva shall have the right, but not the obligation, to exercise the Liquidity Event Option in respect of all or part of the Consideration Shares, and to receive in exchange for such Exchanged Shares the TCNC Share

Entitlement:

- i. Notwithstanding the foregoing, if the Liquidity Event Option is exercised by Sunniva for less than all of the Consideration Shares, the Liquidity Event Option must be exercised for a minimum of 50,000 Consideration Shares and integral multiples thereof.
- ii. For greater clarity, the Exchanged Shares shall not include any Cura Shares acquired by Sunniva from any person or entity other than Cura-Can.

b. **Procedures.**

- i. If Sunniva desires to exercise the Liquidity Event Option, Sunniva shall deliver to Cura-Can, within 10 days of receipt of a Liquidity Event Notice, an irrevocable written notice notifying Cura-Can of its exercise of the Liquidity Event Option and setting out the number of Consideration Shares it has elected to surrender (the "**Option Exercise Notice**"), along with the share certificate representing the Consideration Shares and a duly endorsed stock transfer power of attorney authorizing the transfer of the Exchanged Shares to Cura-Can (together with the Option Exercise Notice, the "**Exchange Documents**").
  - ii. Immediately prior to closing of a Liquidity Event (the "**Liquidity Event Closing**"), Cura-Can shall register the surrender of the Exchanged Shares and shall immediately thereafter (but prior to the Liquidity Event Closing) cause TCNC to register on its books and records, the transfer of the TCNC Share Entitlement from Cura-Can's holdings of TCNC Shares to Sunniva.
  - iii. Within 10 Business Days of the Liquidity Event Closing, Cura-Can shall deliver to Sunniva a replacement share certificate representing such number of Cura Shares as is equal to the number of Consideration Shares less the number of Exchanged Shares.
  - iv. In the event that the Liquidity Event is not consummated, Cura-Can shall return the Exchange Documents to Sunniva.
  - v. By delivering the Exchange Documents, Sunniva represents and warrants to Cura-Can that: (A) Sunniva has full right, title and interest in and to the Exchanged Shares; (B) Sunniva has the corporate power and capacity and has taken all necessary action to surrender such Exchanged Shares as contemplated by this Section 2; and (C) the Exchanged Shares are free and clear of any and all mortgages, pledges, security interests, options, rights of first refusal, rights of first offer, encumbrances or other adverse claims, restrictions or limitations of any nature whatsoever other than those arising as a result of or under the terms of the Purchase Agreement or this Liquidity Event Option Agreement.
- c. **Term.** The Liquidity Event Option granted under this Liquidity Event Option Agreement shall expire and terminate on the Liquidity Event Closing.
  - d. **Cooperation.** The parties each shall take all actions as may be reasonably necessary to consummate the intentions of the parties contemplated by this Section 2, including, without limitation, entering into agreements and delivering certificates, instruments and consents as may be deemed necessary or appropriate.
  - e. **Taxes.** Cura-Can shall use its commercially reasonable efforts to cause the exercise of the Liquidity Event Option to be completed in such a way so as to allow Section 85 of the Tax Act to be applicable to the surrender of the Exchanged Shares and the transfer of the TCNC Share Entitlement.

3. Notices.



All notices, requests, consents, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been given: (a) when delivered by hand (with written confirmation of receipt); (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by facsimile or e-mail of a PDF document (with confirmation of transmission) if sent during normal business hours of the recipient; and on the next Business Day (as defined below) if sent after normal business hours of the recipient; or (d) on the third Business Day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications must be sent to the respective parties at the addresses indicated below (or at such other address for a party as shall be specified in a notice given in accordance with this Section 3). "**Business Day**" shall mean a day that is not a Saturday, Sunday or legal holiday on which banks in the city of Toronto are authorized or obligated by law to close.

If to Cura-Can:

Cura-Can Health Corp.  
10 Four Seasons Place, 5<sup>th</sup> Floor  
Etobicoke, Ontario M9B 6H7

Email: **[Redacted: Confidential business information]**  
Attention: Michael Steele, President and Chief Executive Officer

with a copy to:

Dentons Canada LLP  
15<sup>th</sup> Floor, 850 – 2<sup>nd</sup> Street SW  
Calgary, Alberta T3P 0R8

Email: **[Redacted: Confidential business information]**  
Attention: James O'Sullivan

If to Sunniva:

Sunniva Inc.  
1525 Faraday Ave., Suite 180  
Carlsbad, California, 92010

Email: **[Redacted: Confidential business information]**  
Attention: Legal Department

with a copy to:

Borden Ladner Gervais LLP  
1200 Waterfront Centre  
200 Burrard St, P.O. Box 48600  
Vancouver, British Columbia V7X 1T2

Email: **[Redacted: Confidential business information]**  
Attention: Warren Learmonth

#### 4. Successor and Assigns.

This Liquidity Event Option Agreement shall be binding upon and shall enure to the benefit of the parties hereto and their respective successors and permitted assigns. However, neither this Liquidity Event Option Agreement nor any of the rights of the parties hereunder may otherwise be transferred or assigned by any party hereto, except that either party may assign its rights and obligations hereunder to any person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such party. Any attempted transfer or assignment in violation of this Section 4 shall be void.

#### 5. No Third-Party Beneficiaries.

This Liquidity Event Option Agreement is for the sole benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other person any legal or equitable right, benefit or remedy of any nature whatsoever, under or by reason of this Liquidity Event

Option Agreement.

6. Headings.

The headings in this Liquidity Event Option Agreement are for reference only and shall not affect the interpretation of this Liquidity Event Option Agreement.

7. Amendment and Modification; Waiver.

This Liquidity Event Option 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 Liquidity Event Option Agreement, no failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Liquidity Event Option 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.

8. Severability.

If any term or provision of this Liquidity Event Option Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Liquidity Event Option Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

9. Governing Law; Forum Selection.

This Liquidity Event Option Agreement shall be governed by and construed in accordance with the laws of the province of Alberta, and the federal laws of Canada applicable therein. Any action or proceeding arising out of or relating to this Liquidity Event Option Agreement shall be instituted in the courts of the province of Alberta and each party irrevocably submits to the jurisdiction of such courts in any such action or proceeding.

10. Counterparts.

This Liquidity Event Option Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which shall together be deemed to be one and the same agreement. A signed copy of this Liquidity Event Option Agreement delivered by facsimile, e-mail or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Liquidity Event Option Agreement.

11. No Strict Construction.

The parties to this Liquidity Event Option Agreement have participated jointly in the negotiation and drafting of this Liquidity Event Option Agreement. In the event an ambiguity or question of intent or interpretation arises, this Liquidity Event Option Agreement will be construed as if drafted jointly by the parties, and no presumption or burden of proof will arise favouring or disfavouring any party by virtue of the authorship of any of the provisions of this Liquidity Event Option Agreement.

*[Remainder of page intentionally left blank. Signature page follows.]*

**IN WITNESS WHEREOF**, the parties hereto have executed this Liquidity Event Option Agreement on the date first written above.

**CURA-CAN HEALTH CORP.**

Per: \_\_\_\_\_  
Name:  
Title:

**SUNNIVA INC.**

Per: \_\_\_\_\_  
Name:  
Title:

**DISCLOSURE SCHEDULES**

**(See attached.)**

**SCHEDULE 4.1(p)**  
**MATERIAL CONTRACTS**

*[Redacted: Confidential business information.]*

**SCHEDULE 4.1(s)**  
**LEGAL PROCEEDINGS**

***[Redacted: Confidential business information.]***

**SCHEDULE 4.1(cc)**  
**EMPLOYEES**

**[see attached]**

First Name	Last Name	Position	Department	Location	Hire Date	Salary	Status	Type	FTE	Length of Service	Annual Vacation Entitlements (days)	Annual Bonus	Stock Options	Transit Allowance	Cell Phone Allowance	Car Allowance	LinkedIn Allowance	Perks - Free Parking
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***[Redacted: Confidential business information.]***



First Name	Last Name	Position	Department	Location	Hire Date	Salary	Status	Type	FTE	Length of Service	Annual Vacation Entitlements (days)	Annual Bonus	Stock Options	Transit Allowance	Cell Phone Allowance	Car Allowance	LinkedIn Allowance	Perks - Free Parking
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***[Redacted: Confidential business information.]***

**SCHEDULE 4.1(dd)**  
**MANAGER AND EXECUTIVE CONTRACTS**

*[Redacted: Confidential business information.]*

**SCHEDULE 4.1(mm)**  
**INSURANCE**

Type of Policy	Name of Insurer	Coverage Allowance	Expiration Date	Annual Premium	Pending Claims
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*[Redacted: Confidential business information.]*

**Schedule 4.2(a)(xiv) and Schedule 4.2(b)(xiv)**  
**Litigation**

*[Redacted: Confidential business information.]*