

## SECOND AMENDING AGREEMENT TO THE LOAN AGREEMENT

**THIS AGREEMENT** is made as of the 2nd day of October, 2020,

**B E T W E E N:**

The Green Organic Dutchman Holdings Ltd., a corporation governed by the laws of Canada (“**TGOD Holdings**”);

- and -

The Green Organic Dutchman Ltd., a corporation governed by the laws of Canada (“**TGOD**”);

- and -

Médican Biologique Inc./Medican Organic Inc., a corporation governed by the laws of the Province of Quebec (“**Medican Organic**”);

- and -

9371-8633 Quebec Inc., a corporation governed by the laws of the Province of Quebec (“**9371 Qc**” and, collectively with TGOD Holdings, TGOD and Medican Organic, the “**Borrowers**”)

- and -

Maynbridge Capital Inc., a corporation governed by the laws of the Province of British Columbia (the “**Lender**”);

- and -

Each of the **Guarantors** (as defined below) party hereto;

**RECITALS:**

- A. The Lender has made loans and advances available to the Borrowers under the terms of that Loan Agreement made as of December 23, 2019, between the Borrowers, as borrowers, the Lender, as lender, and The Green Organic Hemp Ltd., as guarantor, as amended by a First Amending Agreement to the Loan Agreement dated as of April 14, 2020 (such Loan Agreement, as amended, being the “**Original Loan Agreement**”). Capitalized terms not otherwise defined herein shall have the meanings given to them in the Original Loan Agreement.
- B. The Borrowers have asked the Lender to (i) immediately extend the Maturity Date to December 15, 2021 (ii) and make consequential amendments to the Original Loan Agreement, which the Lender has agreed to do, subject to the satisfaction of the various conditions set out herein.

NOW THEREFORE, THIS SECOND AMENDING AGREEMENT WITNESSES that, in consideration of the covenants and agreements herein contained, the parties hereto agree as follows:

**1. INTERPRETATION**

**1.3 Amended Loan Agreement**

As and from the date hereof, the Original Loan Agreement is amended by this Second Amending Agreement, and any reference in any Loan Document to the “Loan Agreement” shall be deemed a reference to the Original Loan Agreement as amended hereby, and as same may be further amended, extended, restated or replaced from time to time.

**1.4 Preamble**

The preamble shall form an integral part of this Second Amending Agreement and shall serve in its interpretation.

**1.5 Governing Law**

This Second Amending Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

**2. AMENDMENTS TO THE ORIGINAL LOAN AGREEMENT**

**2.3 Amended Definitions**

The Original Loan Agreement is amended, with effect as of and from the date hereof, by deleting the current definition of “Maturity Date”, in Section 1.1, and replacing it with the following:

*“Maturity Date” means December 15, 2021, as such date may be extended pursuant to Section 2.10;*

**2.4 Additional Definitions**

The Original Loan Agreement is amended, with effect as of and from the date hereof, by adding the following definitions to Section 1.1:

*“October 2020 Warrants” means 1,000,000 common share purchase warrants of TGOD Holdings, each exercisable at any time and from time to time until the date that is sixty (60) months after the date of issuance of each such warrant to purchase common shares of TGOD Holdings at a price per share of \$0.30 (subject to customary adjustment mechanisms to reflect any restructuring of the share capital of TGOD Holdings).*

**2.5 Additional Representations and Warranties of the Obligors**

The Original Loan Agreement is amended, with effect as of and from the date hereof, by adding the following Sections 5.1.39 to 5.1.43, after the existing Section 5.1.38:

**5.1.39 October 2020 Warrants.** *That TGOD Holdings is duly authorized and has the corporate and lawful power and authority to create and issue the October 2020 Warrants, and the common shares of TGOD Holdings issuable upon the exercise thereof and to perform its obligations thereunder and that the certificate(s) representing the October 2020 Warrants will, when issued, represent a valid, legal and binding obligation of TGOD Holdings enforceable in accordance with its terms.*

**5.1.40 Common shares of TGOD Holdings.** *That TGOD Holdings has agreed to: (i) at all times reserve and keep available out of its authorized common shares a sufficient number of common shares to satisfy the right of purchase pursuant to the October 2020 Warrants; (ii) cause the common shares of TGOD Holdings, including duly authorized certificates in respect thereof, subscribed for and purchased in accordance with the terms and conditions of the October 2020 Warrants to be issued and delivered as directed and such common shares of TGOD Holdings shall be issued as fully paid and non-assessable common shares of TGOD Holdings and the holders thereof shall not be liable to TGOD Holdings or to its creditors in respect thereof.*

**5.1.41 Actions to Issue October 2020 Warrants.** *That TGOD Holdings has agreed to take such actions as may be reasonably necessary and as are within its power to ensure that all October 2020 Warrants, and all common shares of TGOD Holdings to be issued pursuant to the exercise of the October 2020 Warrants, will be issued without violation of any Applicable Laws and the applicable requirements of the Toronto Stock Exchange or any other stock exchange upon which the common shares of TGOD Holdings may be listed.*

**5.1.42 Listing of TGOD Holdings' Shares.** *That TGOD Holdings has agreed to use all reasonable efforts to have the common shares of TGOD Holdings issued pursuant to the exercise of the October 2020 Warrants listed and posted for trading on the Toronto Stock Exchange (or such other recognized stock exchange as may be agreed upon by TGOD Holdings and the holder of the October 2020 Warrants) as expeditiously as possible.*

**5.1.43 Issuance of common shares of TGOD Holdings.** *That TGOD Holdings has agreed that upon exercise of the October 2020 Warrants and payment of the applicable purchase price thereunder, the common shares of TGOD Holdings to be issued pursuant to such exercise, will be issued as fully paid and non-assessable common shares in the capital of TGOD Holdings.*

## **2.6 Additional Affirmative Covenants**

The Original Loan Agreement is amended, with effect as of and from the date hereof, by adding the following Sections 6.1.24 to 6.1.27, after the existing Section 6.1.23:

***6.1.24** obtain, and cause TGOD Holdings to obtain, conditional approval of the Toronto Stock Exchange for the issuance of the October 2020 Warrants as soon as possible and use its commercially reasonable efforts to cause the October 2020 Warrants to be issued by the date required hereunder;*

***6.1.25** cause TGOD Holdings to, at all times, reserve and keep available out of TGOD Holdings' authorized common shares a sufficient number of common shares to satisfy the right of purchase pursuant to the October 2020 Warrants and to issue and deliver the common shares subscribed for and purchased in accordance with the terms and conditions of the October 2020 Warrants to be issued as fully paid and non-assessable common shares of TGOD Holdings;*

***6.1.26** to take all actions, and to cause TGOD Holdings to take such actions, as may be reasonably necessary and as are within its power to ensure that all October 2020 Warrants, and all common shares of TGOD Holdings to be issued pursuant to the exercise of the October 2020 Warrants, will be issued without violation of any Applicable*

*Laws and the applicable requirements of the Toronto Stock Exchange or any other stock exchange upon which the common shares of TGOD Holdings may be listed;*

*6.1.27 obtain, and cause TGOD Holdings to obtain, conditional approval of the Toronto Stock Exchange for the amendment of the term and exercise price of the Warrants at Close (the “**Warrant Repricing**”) such that the new term and exercise price are the same as those provided for in the October 2020 Warrants.*

## **2.7 Amended Events of Default and Remedies**

The Original Loan Agreement is amended, with effect as of and from the date hereof, by deleting Section 9.1.20 and replacing it with the following:

*“9.1.20 TGOD Holdings fails to comply with any of its obligations in respect of the Warrants, Additional Warrants and the October 2020 Warrants;*

## **3. CONDITIONS PRECEDENT TO THE EFFECTIVENESS OF THIS SECOND AMENDING AGREEMENT**

The effectiveness of this Second Amending Agreement, is subject to the satisfaction, or waiver by the Lender, of the each of the following conditions, on or before October 6, 2020:

- (i) Each of the Obligors shall have duly executed and delivered this Second Amending Agreement;
- (ii) The Lender shall have received satisfactory evidence that the Term (as defined therein) of the Cortland Credit Agreement has been extended such that the expiry of the Term occurs no earlier than December 31, 2021;
- (iii) The Lender shall have received such resolutions and certificates, as it may deem appropriate; and
- (iv) No Default or Event of Default shall have occurred and be continuing, or result from this Second Amending Agreement.

The Lender’s fees and costs, including legal fees and expenses, for the drafting, negotiating and implementing of this Second Amending Agreement shall be borne by the Borrowers.

## **4. CONDITIONS SUBSEQUENT TO THE EFFECTIVENESS OF THIS SECOND AMENDING AGREEMENT**

Within thirty (30) days of the date of this Second Amending Agreement, the following conditions shall be satisfied:

- (a) The October 2020 Warrants shall have been issued to the Lender and all required approvals in respect thereof and in respect of the common shares issuable upon due exercise thereof shall have been obtained;
- (b) The certificates representing the October 2020 Warrants, in form and substance satisfactory to the Lender, shall be delivered to the Lender, or as the Lender may otherwise direct;

- (c) the Warrant Repricing shall have received conditional approval from the Toronto Stock Exchange and TGOD Holdings shall have satisfied all conditions noted thereunder required to be satisfied prior to the completion of the Warrant Repricing;
- (d) the Lender shall have received satisfactory evidence that the Warrant Repricing has become effective, without violation of any Applicable Laws and the applicable requirements of the Toronto Stock Exchange or any other stock exchange upon which the common shares of TGOD Holdings may be listed;
- (e) The replacement certificates issued in connection with the Warrant Repricing, in form and substance satisfactory to the Lender, shall be delivered to the Lender, or as the Lender may otherwise direct.

Failure to satisfy the aforementioned conditions when required shall be an Event of Default under Section 9.1.20 of the Loan Agreement.

#### **5. FEES AND EXPENSES RELATING TO THE SECOND AMENDING AGREEMENT**

In consideration of the extension of the Maturity Date, and the other accommodations made by the Lender to the Borrowers, the Borrowers shall pay to the Lender, within three (3) Business Days from the date of effectiveness of this Second Amending Agreement, (i) an amendment fee in the amount of \$402,500, and (ii) any and all fees and expenses of the Lender, including its legal fees, that may be outstanding as of the date of this Second Amending Agreement. For certainty, the fees and expenses contemplated by this Section 5, are in addition to those referred to in Section 3, and represent those fees and expenses incurred prior to the drafting, negotiating and implementation of this Second Amending Agreement.

Failure to pay the aforementioned amounts when due shall be an Event of Default under Section 9.1.2 of the Loan Agreement.

#### **6. REPRESENTATIONS AND WARRANTIES OF THE OBLIGORS**

Each Obligor represents and warrants to the Lender as follows:

- (i) It (i) has the corporate power and authority to execute and deliver this Second Amending Agreement and to perform their obligations hereunder, and (ii) has taken all necessary corporate action (including, without limitation, obtaining approval of their shareholders, if necessary) to authorize the execution and delivery of this Second Amending Agreement and the performance of their obligations hereunder;
- (ii) The representations and warranties contained in each of the Loan Documents made by each of the Obligors are and will be true, correct and complete in all material respects on and as of the date hereof to the same extent as though made on and as of the date hereof, except to the extent such representations and warranties specifically relate to an earlier date, in which case they were true, correct and complete in all material respects on and as of such earlier date;
- (iii) Without in any way limiting the generality of the foregoing, each of the Obligors represent and warrant that, no Event of Default has occurred under the Loan Documents, nor does there, to the knowledge of any of the Borrowers or the Guarantors, exist any fact, event or

circumstance which taken together or with the passage of time would give rise to a Default or an Event of Default.

**7. REAFFIRMATION OF SECURITY, NO NOVATION**

Except as amended hereby, the Original Loan Agreement continues in full force and effect, without novation of any of the obligations thereunder. Each Obligor recognizes and agrees that all security, mortgages and hypothecs granted, guarantees made, and other security delivered to or for the benefit of the Lender by the Obligors pursuant to the Loan Documents and any other contract or instrument with Lender remain in full force and effect and secure all obligations of the Obligors under the Original Loan Agreement, as amended by this Second Amending Agreement, and the other Loan Documents and any other contract or instrument with the Lender to which it is a party.

All additional Obligations resulting from this Second Amending Agreement shall be covered and secured by all Loan Documents entered into by the Obligors.

The Borrowers (i) reaffirm their Obligations under both the Original Loan Agreement, as amended by this Second Amending Agreement, and under the Loan Documents to which they are a party, and (ii) agree that the Original Loan Agreement, as amended by this Second Amending Agreement, and the Loan Documents to which they are a party remain in full force and effect and are hereby ratified and confirmed.

**8. GENERAL**

**8.3 Entire Agreement**

The parties acknowledge that the Original Loan Agreement, as amended by this Second Amending Agreement, represents the entire agreement between the parties with respect to the subject matter covered herein. All representations, promises or incitements, if any, made by the Lender, the Obligors or their respective representatives and on which they rely are contained in the Original Loan Agreement, as amended by this Second Amending Agreement, and the parties each expressly acknowledge that they did not, nor do they, rely on any other representation, promise or incitement which is not contained in the Original Loan Agreement, as amended by this Second Amending Agreement.

**8.4 Counterparts**

This Second Amending Agreement may be signed in any number of counterparts, each of which shall be deemed to be an original, but all such separate counterparts shall together constitute one and the same instrument.

*[signature page follows]*

IN WITNESS WHEREOF this Second Amending Agreement has been executed by the parties hereto as of the date first written above.

**BORROWERS:**

**MEDICAN ORGANIC INC.**

By: *“Sean Bovingdon”*

Name: Sean Bovingdon  
Title: CFO

**THE GREEN ORGANIC DUTCHMAN HOLDINGS LTD.**

By: *“Brian Athaide”*

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Name: Brian Athaide  
Title: CEO

**THE GREEN ORGANIC DUTCHMAN LTD.**

By: *“Brian Athaide”*

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Name: Brian Athaide  
Title: CEO

**9371-8633 QUEBEC INC.**

By: *“Marc Cernovitch”*

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Name: Marc Cernovitch  
Title: President

**GUARANTORS:**

**THE GREEN ORGANIC HEMP LTD.**

By: *“Sean Bovingdon”*

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Name: Sean Bovingdon  
Title: Secretary

**HEMPOLAND s.p. z o.o.**

By: *“Michal Lewandowski”*

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Name: Michal Lewandowski  
Title: President

**LENDER:**

**MAYNBRIDGE CAPITAL INC.**

By: “Stephen Davies”

Name: Stephen Davies

Title: SVP and Chief Risk Officer