

AGENCY AGREEMENT

December 19, 2022

The Green Organic Dutchman Holdings Ltd.
Suite 402, 5520 Explorer Road
Mississauga, Ontario
L4W 5L1

Attention: Matt Milich, Chief Executive Officer

Dear Sirs:

The undersigned, Clarus Securities Inc. (“**Clarus**” or the “**Agent**”), understands that The Green Organic Dutchman Holdings Ltd. (the “**Corporation**”) proposes to issue and sell a minimum of 12,500,000 units of the Corporation (“**Offered Units**”) and a maximum of up to 15,000,000 Offered Units, subject to the terms and conditions set out below, at a purchase price of \$0.40 per Offered Unit (the “**Offering Price**”) for gross proceeds of a minimum of \$5,000,000 and up to a maximum of \$6,000,000, and the Corporation wishes to appoint the Agent as its sole and exclusive agent to effect the sale of the Offered Units on a “best efforts” basis. Each Unit (as defined herein) shall be comprised of one Common Share (as defined herein) (each a “**Unit Share**”) and one transferable Common Share purchase warrant (each a “**Warrant**”). Each Warrant shall entitle the holder thereof to acquire one Common Share (a “**Warrant Share**”) at an exercise price of \$0.50 per Warrant Share for a period of 60 months following the Closing Date (as defined herein). The Warrants shall be subject to the terms of the Warrant Indenture (as defined herein). The description of the Warrants herein is a summary only and is subject to the specific attributes and provisions set forth in the Warrant Indenture. In case of any inconsistency between the description of the Warrants in this Agreement (as defined herein) and the terms of the Warrants set forth in the Warrant Indenture, the provisions of the Warrant Indenture will govern.

The Corporation also hereby grants the Agent an option (the “**Agent’s Option**”), which may be exercised in whole or in part at the Agent’s sole discretion, to sell to Purchasers (as defined herein) up to an additional 2,250,000 Units of the Corporation (the “**Additional Units**”) at the Offering Price for additional gross proceeds of up to \$900,000 for a period of 30 days after and including the Closing Date. The Agent’s Option in respect of the Additional Units may be exercised by the Agent: (i) to acquire Additional Units at the Offering Price; (ii) to acquire additional Warrants (the “**Additional Warrants**”) at a price of \$0.03 per Additional Warrant; (iii) to acquire additional Unit Shares (the “**Additional Unit Shares**”) and collectively with the Additional Units and Additional Warrants, the “**Additional Securities**”) at a price of \$0.37 per Additional Unit Share; or (iv) to acquire any combination of Additional Securities, so long as the aggregate number of Additional Warrants and Additional Unit Shares that may be issued under such Agent’s Option does not exceed 2,250,000. Each Additional Unit shall be comprised of one Additional Unit Share and one Additional Warrant. Each Additional Warrant shall have the same terms as the Warrants and will be issued pursuant to the Warrant Indenture. If the Agent elects to exercise such Agent’s Option, the Agent shall notify the Corporation in writing not later than 30 days from the Closing Date (the “**Written Notice of Exercise**”), which notice shall specify

(i) the aggregate number of Additional Securities to be sold by the Agent and; (ii) the date (the “**Option Closing Date**”) on which the Additional Securities are to be purchased, provided that such closing date may be the same as the Closing Date but not earlier than the later of (i) the Closing Date, and (ii) two Business Days (as defined herein) after the date of the Written Notice of Exercise, and in any event not later than the 30th day following the Closing Date.

The Agent’s Option is exercisable in whole or in part solely for the purpose of covering over-allotments, if any, made by the Agent in connection with the Offering and for market stabilization purposes.

The Offered Units and the Additional Units are collectively referred to herein as the “**Units**” and the offering of the Units by the Corporation is hereinafter referred to as the “**Offering**”. Unless the context requires otherwise, references herein to the “**Unit Shares**”, “**Warrants**” and “**Warrant Shares**” shall assume the exercise of the Agent’s Option and include all Additional Securities issuable thereunder. The price of any Units sold under this Agreement shall be the Offering Price. The net proceeds of the Offering to the Corporation shall be used by the Corporation substantially in accordance with the disclosure set out under “Use of Proceeds” in the Prospectus (as defined herein).

The Corporation has advised that it is current in the filing of all materials required to be filed under Securities Laws (as defined herein) of each of the Provinces and Territories of Canada, it has filed the Base Shelf Prospectus (as defined herein) in each of the Provinces and Territories of Canada and the Ontario Securities Commission, as principal regulator, issued a decision document in respect thereof under NP 11-202 (as defined herein) on behalf of itself and the other Canadian Securities Regulators (as defined herein), and it is qualified to file the Prospectus Supplement (as defined herein) as a supplement to the Base Shelf Prospectus in accordance with the requirements of NI 44-101 and NI 44-102 (as such terms are defined herein).

The Agent understands that pursuant to a decision of the Autorité des marchés financiers dated November 16, 2020, the Corporation was granted a permanent exemption from the requirement to translate into French the Base Shelf Prospectus as well as the documents incorporated by reference therein, and any prospectus supplement to be filed in relation to an “at-the-market distribution”. This exemption is granted on the condition that if the Corporation offers securities to Québec purchasers other than in relation to an “at-the-market distribution”, the prospectus and the documents incorporated by reference therein and the prospectus supplement in respect of such offering be translated into French. The Agent and the Corporation agree that the Offering will not be offered to persons resident in the province of Québec.

The Agent shall be entitled to appoint a selling group consisting of other registered investment dealers and brokers (the “**Selling Group**”) in accordance with applicable Securities Laws for the purposes of arranging for purchasers of the Units. The fee payable to any such investment dealer who is a member of any Selling Group shall be for the account of the Agent.

In consideration of the Agent’s services to be rendered in connection with the Offering, including the agreement of the Agent to offer for sale the Offered Units and, if applicable, the Additional Units, Additional Unit Shares and/or Additional Warrants, as the case may be, the Corporation shall pay to the Agent at Closing (as defined herein) a cash commission (the

“**Commission**”) equal to: (i) 6.0% of the gross proceeds realized by the Corporation in respect of the sale of the Offered Units, Additional Units, Additional Unit Shares, and Additional Warrants sold hereunder, except for the gross proceeds from sales to Purchasers agreed to between the Agent and the Corporation that form the president’s list (the “**President’s List**”); and (ii) 1.0% of the gross proceeds realized by the Corporation in respect of the sale of the Offered Units, Additional Units, Additional Unit Shares, and Additional Warrants sold hereunder to Purchaser’s on the President’s List. For the avoidance of doubt, the President’s List shall consist of insiders of the Corporation, management and directors of the Corporation.

It is understood that the Offered Units will be offered to Purchasers resident in: (i) each of the provinces of British Columbia, Alberta and Ontario (collectively, the “**Canadian Offering Jurisdictions**”); and (ii) in jurisdictions other than the Canadian Offering Jurisdictions and the United States as may mutually be agreed to by the Corporation and the Agent provided that the Corporation is not required to file a prospectus, registration statement or other disclosure document or become subject to continuing obligations in such other jurisdictions (collectively with the Canadian Offering Jurisdictions, the “**Offering Jurisdictions**”), in each case in accordance with the provisions of this Agreement.

Based upon the foregoing and subject to the terms set out below, the Corporation hereby appoints the Agent to act as its sole and exclusive agent, and the Agent hereby accepts such appointment, to effect the sale of the Units on a “best efforts” basis to Purchasers if the Offering Jurisdictions. The Agent agrees to use its best efforts to sell the Units, but it is hereby understood and agreed that the Agent shall act as agent only and is under no obligation to purchase any Units.

The following schedules attached to this Agreement are deemed to be a part hereof and are hereby incorporated by reference herein:

Schedule “A” - List of Subsidiaries

DEFINITIONS

In this Agreement, in addition to the terms defined above or elsewhere this Agreement, the following terms shall have the following meanings:

“**Additional Unit Shares**” has the meaning ascribed thereto on the face page of this Agreement;

“**Additional Warrants**” has the meaning ascribed thereto on the face page of this Agreement;

“**Agent’s Option**” has the meaning ascribed thereto on the face page of this Agreement;

“**Agreement**” means the agreement this agreement and includes all schedules hereto;

“**Anti-Terrorism Laws**” has the meaning ascribed thereto in subsection 7(zzz) of this Agreement;

“**Base Shelf Prospectus**” means the final short form base shelf prospectus of the Corporation dated November 27, 2020, including all of the Documents Incorporated by Reference;

“**Business Day**” means a day which is not a Saturday, Sunday or statutory or civic holiday in the City of Toronto;

“**BZAM**” means BZAM Holdings Inc., a wholly-owned subsidiary of the Corporation acquired by the Corporation via a share exchange agreement dated October 18, 2022;

“**BZAM BAR**” means the business acquisition report of the Corporation dated November 17, 2022, in respect of the acquisition of BZAM (as the same may be amended, or amended and restated);

“**BZAM Financial Statements**” means the audited annual financial statements of BZAM for the periods ended December 31, 2021 and 2020 and the unaudited interim financial statements for the three and six months ended June 30, 2022 and 2021, in each case including the notes to such statements and the related auditors’ report on such statements, if any, prepared in accordance with IFRS in force at the applicable time and included in the BZAM BAR;

“**BZAM’s Auditor**” means PKF Antares Professional Corporation;

“**Canadian Offering Jurisdictions**” has the meaning ascribed thereto on the third page of this Agreement;

“**Canadian Securities Regulators**” means the applicable securities commission or securities regulatory authority in each of the Reporting Jurisdictions;

“**Cannabis Act**” means the *Cannabis Act* (Canada) and the regulations promulgated thereunder;

“**Claim**” shall have the meaning ascribed thereto in Section 17 of this Agreement;

“**Clarus**” or the “**Agent**” has the meaning ascribed thereto on the face page of this Agreement;

“**Closing**” means the completion of the issue and sale by the Corporation and the purchase by the Purchasers on the Closing Date of the Units as contemplated by this Agreement;

“**Closing Date**” means December 22, 2022 or such other date as the Corporation and the Agent may agree;

“**Closing Time**” means 8:30 a.m. (Toronto time) on the Closing Date or such other time on the Closing Date as the Corporation and the Agent may agree;

“**Commission**” has the meaning ascribed thereto on the second page of this Agreement;

“**Common Shares**” means the common shares of the Corporation which the Corporation is authorized to issue, as constituted on the date hereof;

“**Corporation**” has the meaning ascribed thereto on the face page of this Agreement;

“**Corporation’s Auditors**” means the auditors of the Corporation, KPMG LLP;

“**CSE**” means the Canadian Securities Exchange;

“Disclosure Documents” means (i) all information regarding the Corporation that has been filed on SEDAR since January 1, 2021, including all financial statements, annual information forms, press releases, material change reports, business acquisition reports, prospectuses and information circulars, including for greater certainty the BZAM BAR (ii) the audited annual financial statements for the periods ended December 31, 2021 and 2020 together with the accompanying management’s discussion and analysis, and (iii) the unaudited interim financial statements for the three and nine months ended September 30, 2022 and September 30, 2021 together with the accompanying management’s discussion and analysis;

“Documents Incorporated by Reference” means all financial statements, management information circulars, annual information forms, material change reports, business acquisition reports, marketing materials or other documents issued or filed by the Corporation, whether before or after the date of this Agreement, that are required to be incorporated by reference into the Prospectus;

“Eligible Issuer” means an issuer which meets the criteria and has complied with the requirements of NI 44-101 so as to allow it to offer its securities using a short form prospectus;

“Executive Order” has the meaning ascribed thereto in subsection in subsection 7(zzz) of this Agreement;

“Financial Statements” means the financial statements of the Corporation included in the Documents Incorporated by Reference, including the notes to such statements and the related auditors’ report on such statements, if any, prepared in accordance with IFRS in force at the applicable time;

“Governmental Authority” means any (a) multinational, federal, provincial, state, regional, municipal, local or other government, governmental or public department, ministry, central bank, court, tribunal, arbitral body, bureau or agency, domestic or foreign, (b) any subdivision, agent, commission, board, or authority of any of the foregoing, or (c) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing, and any stock exchange or self-regulatory authority and, for greater certainty, includes the Securities Regulators and Health Canada;

“IFRS” means International Financial Reporting Standards as issued by the International Accounting Standards Board, or any successor entity, applicable as at the date on which such principles are applied;

“Indemnified Party” has the meaning ascribed thereto in Section 17 of this Agreement;

“knowledge of the Corporation” means the actual knowledge of Sean Bovingdon and Matt Milich, after having made reasonable inquiries and investigations;

“Leased Premises” means each premises which the Corporation or any Subsidiary occupies as tenant;

“Letter Agreement” means the letter agreement dated December 15, 2022 between the Agent and the Corporation relating to the Offering;

“**Marketing Materials**” has the meaning ascribed to “marketing materials” in NI 41-101;

“**Material Adverse Effect**” or “**Material Adverse Change**” means any effect or change on the Corporation or its Subsidiaries or their respective businesses that is or is reasonably likely to be materially adverse to the results of operations, financial condition, assets, properties, capital, liabilities (contingent or otherwise), cash flow, income or business operations of the Corporation and its Subsidiaries and their respective businesses, taken as a whole, after giving effect to this Agreement and the transactions contemplated hereby or that is or is reasonably likely to be materially adverse to the completion of the transactions contemplated by this Agreement;

“**Material Subsidiaries**” means The Green Organic Dutchman Ltd., Medican Organic Inc. (Quebec), Galaxie Brands Corporation, BZAM Holdings Inc., BZAM Management Inc., and 10050999 Manitoba Ltd.;

“**misrepresentation**”, “**material fact**”, “**material change**”, “**affiliate**”, “**associate**”, and “**distribution**” shall have the respective meanings ascribed thereto in the *Securities Act* (Ontario);

“**MI 11-102**” means Multilateral Instrument 11-102 – *Passport System* and its companion policy;

“**NI 41-101**” means National Instrument 41-101 – *General Prospectus Requirements*;

“**NI 44-101**” means National Instrument 44-101 – *Short Form Prospectus Distributions*;

“**NI 51-102**” means National Instrument 51-102 – *Continuous Disclosure Obligations*;

“**NP 11-202**” means National Policy 11-202 – *Process for Prospectus Reviews in Multiple Jurisdictions*;

“**OFAC**” has the meaning ascribed thereto in subsection in subsection 7(zzz) of this Agreement;

“**Offered Unit**” has the meaning ascribed thereto on the face page of this Agreement;

“**Offering**” means the issuance and sale of the Units pursuant to this Agreement;

“**Offering Documents**” means, collectively, the Base Shelf Prospectus, the Prospectus Supplement, any Supplementary Material, and any Marketing Materials;

“**Offering Jurisdictions**” has the meaning ascribed thereto on the third page of this Agreement;

“**Offering Price**” has the meaning ascribed thereto on the face page of this Agreement;

“**Option Closing Date**” has the meaning ascribed thereto on the face page of this Agreement;

“**Option Closing Time**” means 8:30 a.m. (Toronto time) on the Option Closing Date or such other time on the Option Closing Date as the Corporation and the Agent may agree;

“Owned Real Property” means the owned real property that is material to the Corporation and its Subsidiaries, taken as a whole, and which the Corporation or any of its Subsidiaries, as applicable, are the registered owners of;

“Passport System” means the system and process for prospectus reviews provided for under MI 11-102 and NP 11-202;

“person” shall be broadly interpreted and shall include any individual, corporation, partnership, limited liability company, joint venture, association, trust or other legal entity;

“President’s List” has the meaning ascribed thereto on the second page of this Agreement;

“Prospectus” means, collectively, the Base Shelf Prospectus, supplemented by the Prospectus Supplement and any Supplementary Material, in each case including all of the Documents Incorporated by Reference;

“Prospectus Supplement” means the shelf prospectus supplement to be dated December 19, 2022;

“Purchaser” means any purchaser of Securities arranged by the Agent pursuant to the Offering;

“Reporting Jurisdictions” means, collectively, all the provinces and Territories of Canada;

“Securities” means the Offered Units, Unit Shares, Warrants, Warrant Shares, Additional Units, Additional Unit Shares, Additional Warrants;

“Securities Laws” means, unless the context otherwise requires, all applicable securities laws in each of the Reporting Jurisdictions and the respective regulations made thereunder, together with applicable published fee schedules, prescribed forms, policy statements, orders, blanket rulings and other regulatory instruments of the Securities Regulators;

“Securities Regulators” means, collectively, the CSE and the Canadian Securities Regulators;

“Selling Firm” means any member appointed by the Agent to the Selling Group;

“Standard Term Sheet” has the meaning ascribed to “standard term sheet” in NI 41-101;

“subsidiary” shall have the meaning ascribed thereto in the *Canada Business Corporations Act*;

“Subsidiaries” means the subsidiaries of the Corporation listed in Schedule “A” hereto and **“Subsidiary”** shall mean any one of them, as the case may be;

“Supplementary Material” means, collectively, any amendment to the Base Shelf Prospectus or the Prospectus Supplement or any amendment or supplemental prospectus or ancillary materials that may be filed by or on behalf of the Corporation under the Securities Laws relating to the distribution of the Securities hereunder;

“Transfer Agent” means the registrar and transfer agent of the Corporation, namely, Odyssey Trust Company;

“**Unit Shares**” has the meaning ascribed thereto on the face page of this Agreement, and for certainty includes any Additional Unit Shares issued on the exercise of the Agent’s Option;

“**United States**” means the United States of America, its territories and possessions, any state of the United States and the District of Columbia;

“**Units**” has the meaning ascribed thereto on the face page of this Agreement, and for certainty includes any Additional Units issued on the exercise of the Agent’s Option;

“**Warrant Agent**” means Odyssey Trust Company;

“**Warrant Indenture**” means the warrant indenture to be entered into on or before the Closing Date between the Warrant Agent and the Corporation in relation to the Warrants, as amended from time to time;

“**Warrant Shares**” has the meaning ascribed thereto on the face page of this Agreement, and for certainty includes any additional Warrant Shares issuable upon exercise of the Additional Warrants issued on the exercise of the Agent’s Option; and

“**Warrants**” has the meaning ascribed thereto on the face page of this Agreement, and for certainty includes any Additional Warrants issued on the exercise of the Agent’s Option.

All capitalized terms used but not otherwise defined herein have the meanings given to them in the Prospectus.

The division of this Agreement into sections, subsections, paragraphs and other subdivisions and the insertion of headings are for convenience of reference only and shall not affect the construction or the interpretation of this Agreement. Unless something in the subject matter or context is inconsistent therewith, references herein to sections, subsections, paragraphs and other subdivisions are to sections, subsections, paragraphs and other subdivisions of this Agreement.

TERMS AND CONDITIONS

1. **Prospectus.** Prior to the applicable Closing Time, the Corporation will allow the Agent to participate fully in the preparation of the Offering Documents (other than material filed prior to the date hereof and incorporated by reference therein). As soon as practicable after the execution of this Agreement, the Corporation will prepare and file the Prospectus Supplement, including copies of any documents or information incorporated by reference therein, with the Canadian Securities Regulators, on December 19, 2022 and will have taken all other steps and proceedings that may be necessary in order to qualify the Unit Shares, Warrants, and Agent’s Option for distribution in each of the Offering Jurisdictions by the Agent and other persons who are registered in a category permitting them to distribute the securities under Securities Laws and who comply with Securities Laws.

2. **Due Diligence.** Prior to the filing of the Prospectus Supplement and continuing until the Closing, the Corporation shall have permitted the Agent to review the Prospectus and shall allow the Agent to conduct any due diligence investigations which it reasonably requires in order to

fulfill its obligations as an agent under Securities Laws and in order to enable it to responsibly execute the certificate in the Prospectus Supplement required to be executed by it.

3. Distribution and Certain Obligations of the Agent.

- (a) The Agent shall, and shall require any Selling Firm to agree to comply with Securities Laws in connection with the distribution of the Units and shall offer the Units for sale to the public directly and through Selling Firms upon the terms and conditions set out in the Prospectus and this Agreement. The Agent shall, and shall require any Selling Firm to, offer for sale to the public and sell the Units only in those jurisdictions where they may be lawfully offered for sale or sold. The Agent shall: (i) use all reasonable efforts to complete and cause each Selling Firm to complete the distribution of the Units as soon as reasonably practicable; and (ii) promptly notify the Corporation when, in their opinion, the Agent and the Selling Firms have ceased distribution of the Units and provide a breakdown of the number of Units distributed in each of the Offering Jurisdictions where such breakdown is required for the purpose of calculating fees payable to the Securities Regulators.
- (b) The Agent shall, and shall use their commercially reasonable efforts to require any Selling Firm to agree to, distribute the Units in a manner which complies with and observes all applicable laws and regulations in each jurisdiction into and from which they may offer to sell the Securities, or solicit the purchase of the Units from the Corporation by Purchasers, or distribute the Prospectus or any Supplementary Material in connection with the distribution of the Units and will not, directly or indirectly, offer, sell or deliver any Units or deliver the Prospectus or any Supplementary Material to any person in any jurisdiction other than in the Offering Jurisdictions except in a manner which will not require the Corporation to comply with the registration, prospectus, filing, continuous disclosure or other similar requirements under the applicable securities laws of such other jurisdictions or pay any additional governmental filing fees which relate to such other jurisdictions. Subject to the foregoing, the Agent and any Selling Firm shall be entitled to offer and sell the Securities in the Offering Jurisdictions, in accordance with the provisions of this Agreement.
- (c) For the purposes of this Section 3, the Agent shall be entitled to assume that the Units are qualified for distribution in any Canadian Offering Jurisdiction where a receipt or similar document for the Base Shelf Prospectus has been obtained from the applicable Canadian Securities Regulators.

4. Deliveries on Filing and Related Matters.

- (a) The Corporation shall deliver to the Agent prior to the filing of the Prospectus Supplement or any Supplementary Material with the Canadian Securities Regulators, “long form” comfort letters dated the date of the Prospectus Supplement or the Supplementary Material, as applicable, in form and substance satisfactory to the Agent, acting reasonably, addressed to the Agent and the

directors of the Corporation, from the Corporation's Auditor and the BZAM Auditor with respect to financial and accounting information relating to the Corporation or BZAM, as applicable, contained in the Prospectus derived from the Financial Statements or the BZAM Financial Statements, as applicable, which letter from the Corporation's Auditor shall be based on a review by the Corporation's Auditors within a cut-off date of not more than two Business Days prior to the date of the letter, which letter shall be in addition to any auditors' consent letters or comfort letter addressed to the Canadian Securities Regulators.

- (b) During the distribution of the Units:
 - (i) the Corporation and the Agent shall approve in writing, a template version of any Marketing Materials reasonably requested to be provided by the Agent to any potential investor of Units, such Marketing Materials to comply with Securities Laws. The Corporation shall file a template version of such Marketing Materials with the Canadian Securities Regulators as soon as reasonably practicable after such Marketing Materials are so approved in writing by the Corporation and the Agent, and in any event on or before the day the Marketing Materials are first provided to any potential investor of Units, and such filing shall constitute the Agent's authority to use such Marketing Materials in connection with the Offering. Any comparables shall be redacted from the template version in accordance with NI 44-101 prior to filing such template version with the Canadian Securities Regulators and a complete template version containing such comparables and any disclosure relating to the comparables, if any, shall be delivered to the Canadian Securities Regulators by the Corporation. The Corporation shall prepare and file with the Canadian Securities Regulators a revised template version of any Marketing Materials provided to potential investors of Units where required under Securities Laws;
 - (ii) the Corporation and the Agent covenant and agree:
 - (A) not to provide any potential investor of Units with any Marketing Materials unless a template version of such Marketing Materials has been filed by the Corporation with the Canadian Securities Regulators on or before the day such Marketing Materials are first provided to any potential investor of Units; and
 - (B) not to provide any potential investor with any materials or information in relation to the distribution of the Units or the Corporation other than: (a) such Marketing Materials that have been approved and filed in accordance with this section 3(b); (b) the Prospectus; and (c) any Standard Term Sheets approved in writing by the Corporation and the Agent.

- (c) The Corporation shall also prepare and deliver promptly to the Agent signed copies of all Supplementary Material required to be filed by the Corporation in compliance with Securities Laws.
- (d) Delivery of the Prospectus and any Supplementary Material by the Corporation shall constitute the representation and warranty of the Corporation to the Agent that, as at their respective dates of filing:
 - (i) all information and statements (except information and statements relating solely to the Agent and provided by the Agent in writing) contained in the Prospectus or any Supplementary Material, as the case may be, are true and correct, in all material respects, and contain no misrepresentation and constitute full, true and plain disclosure of all material facts relating to the Corporation and the Units;
 - (ii) no material fact or information has been omitted therefrom (except facts or information relating solely to the Agent) which is required to be stated in such disclosure or is necessary to make the statements or information contained in such disclosure not misleading in light of the circumstances under which they were made; and
 - (iii) except with respect to any information relating solely to the Agent and provided by the Agent in writing, such documents comply in all material respects with the requirements of Securities Laws.
- (e) The Corporation shall, no later than 2 business days before the Closing Date, cause commercial copies of the Prospectus and any Supplementary Material to be delivered to the Agent and the Purchasers without charge, in such numbers and in such cities as the Agent may reasonably request by written instructions to the Corporation.

5. Material Changes.

- (a) During the period prior to the Agent notifying the Corporation of the completion of the distribution of the Units, the Corporation shall promptly inform the Agent (and if requested by the Agent, confirm such notification in writing) of the full particulars of:
 - (i) any material change (actual, anticipated, contemplated, threatened, financial or otherwise) in the assets, liabilities (contingent or otherwise), business, affairs, operations or capital of the Corporation and the Subsidiaries taken as a whole;
 - (ii) any material fact which has arisen or has been discovered and would have been required to have been stated in the Prospectus had the fact arisen or been discovered on, or prior to, the date of such documents; and

- (iii) any change in any material fact contained in the Offering Documents or whether any event or state of facts has occurred after the date hereof, which, in any case, is, or may be, of such a nature as to render any of the Offering Documents untrue or misleading in any material respect or to result in any misrepresentation in any of the Offering Documents, or which would result in the Prospectus or any Supplementary Material not complying (to the extent that such compliance is required) with Securities Laws.
- (b) The Corporation will comply with Part 6 of NI 41-101 and with the comparable provisions of the other Securities Laws, and the Corporation will prepare and file promptly any Supplementary Material which may be necessary and will otherwise comply with all legal requirements necessary to continue to qualify the Units for distribution in each of the Offering Jurisdictions.
- (c) In addition to the provisions of subsections 5(a) and 5(b) hereof, the Corporation shall in good faith discuss with the Agent any change, event or fact contemplated in subsections 5(a) and 5(b) which is of such a nature that there is or could be reasonable doubt as to whether notice should be given to the Agent under subsection 5(a) hereof and shall consult with the Agent with respect to the form and content of any amendment or other Supplementary Material proposed to be filed by the Corporation, it being understood and agreed that no such amendment or other Supplementary Material shall be filed with any Securities Regulator prior to the review thereof by the Agent and its counsel, acting reasonably and without undue delay.
- (d) If during the period of distribution of the Units there shall be any change in Securities Laws which, in the opinion of the Agent, acting reasonably, requires the filing of any Supplementary Material, upon written notice from the Agent, the Corporation shall, to the satisfaction of the Agent, acting reasonably, promptly prepare and file any such Supplementary Material with the appropriate Securities Regulators where such filing is required.

6. **Covenants of the Corporation.** The Corporation hereby covenants to the Agent that the Corporation:

- (a) will file the Prospectus Supplement and other documents required under the applicable Securities Laws with the Securities Regulators on or before December 19, 2022, or such earlier or later date as agreed to by the Corporation and the Agent, in writing;
- (b) will advise the Agent, promptly after receiving notice thereof, of the time when the Prospectus and any Supplementary Material has been filed pursuant to the Passport System and will provide evidence reasonably satisfactory to the Agent of each such filing;

- (c) will advise the Agent, promptly after receiving notice or obtaining knowledge thereof, of:
- (i) the suspension of the qualification of the Units or the Agent's Option for offering, sale, issuance, or grant, as applicable, in any jurisdiction, or the issuance by any Canadian Securities Regulators of any order suspending or preventing the use of the Prospectus or any Supplementary Material;
 - (ii) the institution, threatening or contemplation of any proceeding for any such purposes;
 - (iii) any order, ruling, or determination having the effect of suspending the sale or ceasing the trading in any securities of the Corporation (including the Units) has been issued by any Securities Regulator or the institution, threatening or contemplation of any proceeding for any such purposes; or
 - (iv) any requests made by any Canadian Securities Regulators for amending or supplementing the Prospectus or for additional information, and will use its commercially reasonable efforts to prevent the issuance of any order referred to in (i) above and, if any such order is issued, to obtain the withdrawal thereof as quickly as possible;
- (d) from and including the date of this Agreement through to and including the Option Closing Time, do all such acts and things necessary to ensure that the representations and warranties of the Corporation contained in this Agreement or any certificates or documents delivered by the Corporation pursuant to this Agreement remain materially true and correct and not do any such act or thing that would render any representation or warrant of the Corporation contained in this Agreement or any certificates or documents delivered by it pursuant to this Agreement materially untrue or incorrect;
- (e) except to the extent the Corporation participates in a merger or business combination transaction which the Corporation's board of directors determines is in the best interest of the Corporation and following which the Corporation is not a "reporting issuer", will use its commercially reasonable efforts to maintain its status as a "reporting issuer" (or the equivalent thereof) not in default of the requirements of Securities Laws of each of the Offering Jurisdictions to the date which is 60 months following the Closing Date;
- (f) except to the extent the Corporation participates in a merger or business combination transaction which the Corporation's board of directors determines is in the best interest of the Corporation and following which the Corporation is not listed on the CSE, use its commercially reasonable efforts to maintain the listing of the Common Shares on the CSE or such other recognized stock exchange or quotation system as the Agent may approve, acting reasonably, to the date that is 60 months following the Closing Date so long as the Corporation meets the

minimum listing requirements of the CSE or such other exchange or quotation system;

- (g) during the distribution of the Units, will consult with the Agent and promptly provide to the Agent drafts of any press releases of the Corporation for review by the Agent and the Agent's counsel prior to issuance, provided that any such review will be completed in a timely manner (in addition, any press release announcing or otherwise referring to the Offering shall include an appropriate notation on each page in substantially the following form: "NOT FOR DISTRIBUTION TO U.S. NEWS WIRE SERVICES OR DISSEMINATION IN THE UNITED STATES.");
- (h) file or cause to be filed with the CSE all necessary documents and take or cause to be taken all necessary steps to ensure that the Common Shares issuable in connection with the Offering (including, for greater certainty, the Warrant Shares and Unit Shares) to be listed on the CSE; and
- (i) will use the net proceeds of the offering of Units contemplated herein in the manner and subject to the qualifications described in the Prospectus under the heading "Use of Proceeds".

7. **Representations and Warranties of the Corporation.** The Corporation hereby represents and warrants to the Agent and acknowledges that the Agent is relying upon such representations and warranties that:

- (a) each of the Corporation and its Subsidiaries is a corporation duly incorporated, continued or amalgamated and validly existing under the laws of the jurisdiction in which it was incorporated, continued or amalgamated, as the case may be, and has all requisite corporate power and authority and is duly qualified and holds all necessary material permits, licences and authorizations necessary or required to carry on its business as now conducted and proposed to be conducted to own, lease or operate its properties and assets and no steps or proceedings have been taken by any person, voluntary or otherwise, requiring or authorizing its dissolution or winding up;
- (b) the Subsidiaries are the only subsidiaries of the Corporation and the information regarding the jurisdiction of formation of each Subsidiary, issued and outstanding shares in the capital of the Subsidiaries, and status of the Subsidiaries as material or dormant in Schedule "A" is true and correct. The Corporation does not beneficially own or exercise control or direction over 10% or more of the outstanding voting shares of any company that holds any assets or conducts any operations other than the Subsidiaries and the Corporation beneficially owns, directly or indirectly, the percentage indicated on Schedule "A" hereto of the issued and outstanding shares in the capital of the Subsidiaries which are free and clear of all mortgages, liens, charges, pledges, security interests, encumbrances, claims or demands of any kind whatsoever, all of such shares have been duly authorized and are validly issued and are outstanding as fully paid and non-

assessable shares and no person has any right, agreement or option, present or future, contingent or absolute, or any right capable of becoming a right, agreement or option, for the purchase from the Corporation of any interest in any of such shares or for the issue or allotment of any unissued shares in the capital of any of the Subsidiaries or any other security convertible into or exchangeable for any such shares;

- (c) the Corporation has all requisite corporate power, authority and capacity to enter into each of this Agreement and the Warrant Indenture and to perform the transactions contemplated herein and therein, including, without limitation, to issue the Offered Units, the Unit Shares, the Warrants, the Warrant Shares, the Additional Units, the Additional Unit Shares, and the Additional Warrants;
- (d) neither the Corporation nor any of the Subsidiaries is (i) in violation of its constating documents, or (ii) in default of the performance or observance of any obligation, agreement, covenant or condition contained in any contract, indenture, trust deed, joint venture, mortgage, loan agreement, note, lease or other agreement or instrument to which it is a party or by which it or its property may be bound, except in the case of clause (ii) for any such violations or defaults that would not result in a Material Adverse Effect;
- (e) to the knowledge of the Corporation, no counterparty to any material obligation, agreement, covenant or condition contained in any contract, indenture, trust deed, mortgage, loan agreement, note, lease or other agreement or instrument to which the Corporation or any Subsidiary is a party is in default in the performance or observance thereof, except where such violation or default in performance would not have a Material Adverse Effect;
- (f) each of the Corporation and the Subsidiaries has conducted and is conducting its business in compliance with all applicable laws and regulations of each jurisdiction in which it carries on business, except where the failure to so comply would not have a Material Adverse Effect. The Corporation and each of the Subsidiaries holds all material requisite licences, registrations, qualifications, permits and consents necessary or appropriate for carrying on its business as currently carried on and all such licences, registrations, qualifications, permits and consents are valid and subsisting and in good standing in all material respects. Without limiting the generality of the foregoing, neither the Corporation nor any Subsidiary has received a written notice of non-compliance, nor does it know of, nor have reasonable grounds to know of, any facts that could give rise to a notice of non-compliance with any such laws, regulations or permits which would have a Material Adverse Effect;
- (g) the Corporation is in compliance in all material respects with all of the rules, policies and requirements of the CSE;
- (h) other than the Leased Premises and except as disclosed in the Offering Documents, each of the Corporation and the Subsidiaries is the absolute legal and

beneficial owner of, and has good and marketable title to, all of the material properties and assets thereof as described in the Offering Documents, including but not limited to the Owned Real Property, and no other property or assets are necessary for the conduct of the business of the Corporation and the Subsidiaries as currently conducted. Any and all of the agreements and other documents and instruments pursuant to which each of the Corporation and Subsidiaries holds the material property and assets thereof (including any interest in, or right to earn an interest in, any Intellectual Property (as hereinafter defined)) are valid and subsisting agreements, documents and instruments in full force and effect, enforceable in accordance with the terms thereof, and such material properties and assets are in good standing under the applicable statutes and regulations of the jurisdictions in which they are situated, and all material leases, licenses and other agreements pursuant to which the Corporation or any Subsidiary derives the interests thereof in such property are in good standing. The Corporation does not know of any claim or the basis for any claim that might or could materially and adversely affect the right of the Corporation or any Subsidiary to use, transfer or otherwise exploit their respective assets, none of the properties (or any interest in, or right to earn an interest in, any property) of the Corporation or any Subsidiary is subject to any right of first refusal or purchase or acquisition right, and neither the Corporation nor any Subsidiary has a responsibility or obligation to pay any commission, royalty, licence fee or similar payment to any person with respect to the property and assets thereof;

- (i) with respect to each of the Leased Premises, the Corporation and the Subsidiaries, as applicable, occupies the Leased Premises and has the exclusive right to occupy and use the Leased Premises and each of the leases pursuant to which the Corporation or a Subsidiary occupies the Leased Premises is in good standing and in full force and effect, except where failure to be so would not reasonably be expected to result in a Material Adverse Effect. The performance of obligations pursuant to and in compliance with the terms of this Agreement and the completion of the transactions described herein by the Corporation, will not afford any of the parties to such leases or any other person the right to terminate such leases or result in any additional or more onerous obligations under such leases. The Corporation has provided the Agent with true and complete copies of all leases in respect of the Leased Premises;
- (j) neither the Corporation nor any of the Subsidiaries owns any real property, other than the Owned Real Property;
- (k) no legal or governmental proceedings or inquiries are pending to which the Corporation or any Subsidiary is a party or to which the property thereof is subject that would result in the revocation or modification of any certificate, authority, permit or license necessary to conduct the business now owned or operated by the Corporation or any Subsidiary which, if the subject of an unfavourable decision, ruling or finding could reasonably be expected to have a Material Adverse Effect and, to the knowledge of the Corporation, no such legal or governmental proceedings or inquiries have been threatened against or are

contemplated with respect to the Corporation or any Subsidiary or with respect to the properties or assets thereof;

- (l) other than as disclosed to the Agent in writing, there are no actions, suits, judgments, investigations or proceedings of any kind whatsoever outstanding, pending or, to the best of the Corporation's knowledge, threatened against or affecting the Corporation or any Subsidiary, or the directors, officers or employees thereof, at law or in equity or before or by any commission, board, bureau or agency of any kind whatsoever and, to the best of the Corporation's knowledge, there is no basis therefore and neither the Corporation nor any Subsidiary is subject to any judgment, order, writ, injunction, decree, award, rule, policy or regulation of any governmental authority, which, either separately or in the aggregate, may have a Material Adverse Effect or that would materially adversely affect the ability of the Corporation to perform its obligations under this Agreement or the Warrant Indenture;
- (m) at the Closing Time or Option Closing Date, as applicable, all consents, approvals, permits, authorizations or filings as may be required to be made or obtained by the Corporation under Securities Laws necessary for the execution and delivery of this Agreement and the Warrant Indenture, the creation, issuance and sale of the Warrants and Additional Warrants and the consummation of the transactions contemplated hereby and thereby, will have been made or obtained, as applicable (other than the filing of reports required under Securities Laws within the prescribed time periods, which documents shall be filed as soon as practicable after the Closing Date and, in any event, within such deadline imposed by applicable Securities Laws);
- (n) the authorized and issued and outstanding share capital of the Corporation conforms to the description thereof contained in the Offering Documents. All of the issued and outstanding shares of the Corporation have been duly and validly authorized and issued as fully paid and non-assessable, and none of the outstanding common shares of the Corporation were issued in violation of the preemptive or similar rights of any securityholder of the Corporation;
- (o) at the Closing Time, all necessary corporate action will have been taken by the Corporation to create, allot and authorize the issuance of, as applicable, the Units, Unit Shares, Warrants, Additional Units, Additional Unit Shares, Additional Warrants, and, upon the due conversion of the Warrants and the Additional Warrants in accordance with the provisions thereof, the Warrant Shares, and all such securities will be validly issued as fully paid and non-assessable securities in the capital of the Corporation, and all such securities shall have the attributes corresponding in all material respects to the description thereof set forth in this Agreement;
- (p) the terms and the number of options to purchase Common Shares granted by the Corporation currently outstanding, including but not limited to stock options and warrants, conforms to the description thereof contained in the Offering

Documents and, other than as contemplated by this Agreement or otherwise disclosed in the Prospectus, no person, firm or corporation has any agreement or option, right or privilege (contractual or otherwise) capable of becoming an agreement (including convertible or exchangeable securities and warrants) for the purchase or acquisition from the Corporation or any Subsidiary of any interest in any Common Shares or other securities of the Corporation or any Subsidiary whether issued or unissued;

- (q) there are no contracts or agreements between either the Corporation or a Subsidiary and any person granting such person the right to require the Corporation or the Subsidiary to file a registration statement under United States federal securities laws or, except as contemplated by this Agreement, a prospectus under Securities Laws, with respect to any securities of the Corporation or any Subsidiary owned or to be owned by such person that require the Corporation or a Subsidiary to include such securities in the securities qualified for distribution under the Offering Documents;
- (r) except in relation to BZAM Cannabis Corp. and Folium Life Science Inc., there are no voting trusts or agreements, shareholders' agreements, buy-sell agreements, rights of first refusal agreements, agreements relating to restrictions on transfer, preemptive rights agreements, tag-along agreements, drag-along agreements or proxies relating to any of the securities of the Corporation or the Subsidiaries, to which the Corporation or any of the Subsidiaries is a party;
- (s) the Unit Shares, Additional Unit Shares, and Warrant Shares to be issued as described in this Agreement and in the Offering Documents have been, or prior to the Closing Time will be, duly authorized and reserved for issuance and, when issued, delivered and paid for in full, will be validly issued and fully paid shares in the capital of the Corporation, and will not have been issued in violation of or subject to any pre-emptive rights or contractual rights to purchase securities issued by the Corporation;
- (t) the Transfer Agent, at its principal office in Calgary, Alberta, is duly appointed as the registrar and transfer agent of the Corporation with respect to the Common Shares, and the Warrant Agent, at its principal office in Calgary, Alberta, will be, at the Closing Date, duly appointed as warrant agent with respect to the Warrants and Additional Warrants;
- (u) at the Closing Time, each of this Agreement and the Warrant Indenture shall have been duly authorized and executed and delivered by the Corporation and upon such execution and delivery, each shall constitute a valid and binding obligation of the Corporation and each shall be enforceable against the Corporation in accordance with its terms, subject to bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium or similar laws affecting creditors' rights generally, general principles of equity, and the qualifications that equitable remedies may only be granted in the discretion of a court of competent

jurisdiction and except that rights of indemnity, contribution, waiver and the ability to sever unenforceable terms may be limited under applicable laws;

- (v) no authorization, approval, consent, licence, permit, order or filing of, or with, any Governmental Authority or court, domestic or foreign, (other than those which have already been obtained or will be obtained prior to the Closing Date and except for post-closing filings to be made with the CSE and post-closing distribution reports to be filed and other post-closing filings to be made with certain securities regulatory authorities) is required for the valid sale and delivery of the Units or for the execution and delivery or performance of this Agreement, the Warrant Indenture and the Offering Documents by the Corporation;
- (w) each of the execution and delivery of this Agreement and the Warrant Indenture, the performance by the Corporation of its obligations hereunder and thereunder, the sale of the Units hereunder by the Corporation and the consummation of the transactions contemplated hereunder and thereunder, (i) do not and will not conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under (whether after notice or lapse of time or both), (A) any statute, rule, law or regulation applicable to the Corporation; (B) the constating documents, by-laws or resolutions of the Corporation which are in effect at the date hereof; (C) any mortgage, note, indenture, contract, agreement, instrument, lease or other document to which the Corporation or any Subsidiary is a party or by which it is bound; or (D) any judgment, decree or order binding the Corporation or the property or assets of the Corporation or any Subsidiaries; and (ii) do not affect the rights, duties and obligations of any parties to any mortgage, note, indenture, contract, agreement, joint venture, partnership, instrument, lease or other document to which the Corporation or any of the Subsidiaries is a party or by which it is bound, nor give a party the right to terminate any mortgage, note, indenture, contract, agreement, joint venture, partnership, instrument, lease or other document to which the Corporation or any of the Subsidiaries is a party or by which it is bound, by virtue of the application of terms, provisions or conditions therein, except where those rights, duties or obligations, or rights to terminate, are affected in a manner that is not material to the Corporation;
- (x) the Financial Statements and the BZAM Financial Statements have been prepared in accordance with IFRS, contain no misrepresentations and present fairly, in all material respects, the financial condition of the Corporation or BZAM, as applicable, on a consolidated basis as at the date thereof and the results of the operations and cash flows of the Corporation or BZAM, as applicable, on a consolidated basis for the period then ended and contain and reflect adequate provisions or allowance for all reasonably anticipated liabilities, expenses and losses of the Corporation or BZAM, as applicable, on a consolidated basis that are required to be disclosed in such financial statements and there has been no material change in accounting policies or practices of the Corporation or BZAM since December 31, 2021;

- (y) there are no material liabilities of the Corporation or any Subsidiary whether direct, indirect, absolute, contingent or otherwise required to be disclosed in the Financial Statements or BZAM Financial Statements which are not disclosed or reflected in the Financial Statements or the BZAM Financial Statements, as applicable, except those disclosed in the Offering Documents;
- (z) the financial information included in the Offering Documents presents fairly in all material respects the consolidated financial position, results of operations, deficit and cash flow of the Corporation and BZAM, respectively, as at the dates and for the periods indicated;
- (aa) the Corporation's Auditors are independent public accountants as required under applicable Securities Laws and there has never been a reportable event (within the meaning of NI 51-102) between the Corporation and such auditors or any former auditors of the Corporation and BZAM's Auditors are independent public accountants;
- (bb) the responsibilities of the Corporation's audit committee comply with National Instrument 52-110 - *Audit Committees*;
- (cc) the Corporation maintains a system of internal accounting controls sufficient to provide reasonable assurances that, (A) transactions are executed in accordance with management's general or specific authorization, and (B) transactions are recorded as necessary to permit preparation of financial statements in conformity with IFRS and to maintain accountability for assets;
- (dd) except as disclosed in the Offering Documents and as disclosed to the Agent in writing with respect to Stone Pine Capital Ltd., none of the directors, officers or employees of the Corporation or any Subsidiary, any person who owns, directly or indirectly, more than 10% of any class of securities of the Corporation or securities of any person exchangeable for more than 10% of any class of securities of the Corporation, or any associate or affiliate of any of the foregoing, had or has any material interest, direct or indirect, in any transaction (other than in connection with the Offering) or any proposed transaction (including, without limitation, any loan made to or by any such person) with the Corporation which, as the case may be, materially affects, is material to or will materially affect the Corporation or any Subsidiary;
- (ee) the Corporation is not party to any agreement, nor is the Corporation aware of any agreement, which in any manner affects the voting control of any of the securities of the Corporation or any Subsidiary, or which will affect voting control of the Corporation upon completion of the Offering;
- (ff) all taxes (including income tax, capital tax, payroll taxes, employer health tax, workers' compensation payments, property taxes, custom and land transfer taxes), duties, royalties, levies, imposts, assessments, deductions, charges or withholdings and all liabilities with respect thereto including any penalty and

interest payable with respect thereto (collectively, “**Taxes**”) due and payable by the Corporation and its Subsidiaries have been paid or accrued, except where the failure to pay such Taxes would not constitute an adverse material fact in respect of the Corporation or the Subsidiaries or have a Material Adverse Effect. All tax returns, declarations, remittances and filings required to be filed by the Corporation have been filed with all appropriate governmental authorities and all such returns, declarations, remittances and filings are complete and accurate and no material fact or facts have been omitted therefrom which would make any of them misleading, except where the failure to file such documents would not constitute an adverse material fact in respect of the Corporation or any Subsidiary or have a Material Adverse Effect. To the knowledge of the Corporation, no examination of any tax return of the Corporation or any Subsidiary is currently in progress and there are no issues or disputes outstanding with any Governmental Authority respecting any taxes that have been paid, or may be payable, by the Corporation or any Subsidiary in any case, except where such examinations, issues or disputes would not constitute an adverse material fact in respect of the Corporation or have a Material Adverse Effect;

- (gg) neither the Corporation nor any Subsidiary is a party to, bound by or, to the knowledge of the Corporation, affected by any commitment, agreement or document containing any covenant which expressly and materially limits the freedom of the Corporation or a Subsidiary to compete in any line of business, transfer or move any of its respective assets or operations or which adversely materially affects the business practices, operations or condition of the Corporation or any Subsidiary;
- (hh) neither the Corporation nor any Subsidiary has ever been in violation of, in connection with the ownership, use, maintenance or operation of the property and assets thereof, any applicable federal, provincial, state, municipal or local laws, by-laws, regulations, orders, policies, permits, licenses, certificates or approvals having the force of law, domestic or foreign, relating to environmental, health or safety matters which could reasonably be expected to have a Material Adverse Effect;
- (ii) to the knowledge of the Corporation, the statistical, industry and market related data included in the Offering Documents are derived from sources which the Corporation reasonably believes to be accurate, reasonable and reliable, and such data agrees with the sources from which it was derived;
- (jj) since the respective dates as of which information is given in the Offering Documents, except as otherwise stated therein or contemplated thereby, there has not been:
 - (i) any material change in the condition (financial or otherwise), or in the earnings, business, affairs, capital, prospects, operations or management of the Corporation or any of the Subsidiaries, whether or not arising in the ordinary course of business from that set forth therein;

- (ii) any material transaction entered into by the Corporation or any of the Subsidiaries; or
 - (iii) any dividend or distribution of any kind declared, paid or made by the Corporation or any of the Subsidiaries on shares in the capital of the Corporation or a Subsidiary, as applicable;
- (kk) no material work stoppage, strike, lock-out, labour disruption, dispute grievance, arbitration, proceeding or other conflict with the employees of the Corporation or any Subsidiary currently exists or, to the Corporation's knowledge, is imminent or pending and each of the Corporation and each Subsidiary is in material compliance with all provisions of all federal, national, regional, provincial and local laws and regulations respecting employment and employment practices, terms and conditions of employment and wages and hours;
- (ll) except as disclosed in the Prospectus, there are no material complaints against the Corporation or any Subsidiary before any employment standards branch or tribunal or human rights tribunal, nor any complaints or any occurrence which would reasonably be expected to lead to a complaint under any human rights legislation or employment standards legislation that would be material to the Corporation or any Subsidiary. There are no outstanding decisions or settlements or pending settlements under applicable employment standards legislation which place any material obligation upon the Corporation or any Subsidiary to do or refrain from doing any act. The Corporation and each Subsidiary are currently in material compliance with all workers' compensation, occupational health and safety and similar legislation, including payment in full of all amounts owing thereunder, and there are no pending claims or outstanding orders of a material nature against any of them under applicable workers' compensation legislation, occupational health and safety or similar legislation nor has any event occurred which may give rise to any such material claim;
- (mm) neither the Corporation nor any Subsidiary is party to any collective bargaining agreements with unionized employees. To the Corporation's knowledge, no action has been taken or is being contemplated to organize or unionize any employees of the Corporation or any Subsidiary that would have a Material Adverse Effect on the Corporation or any Subsidiary;
- (nn) the Agent has been provided with a true and complete copy of each material plan for retirement, bonus, stock purchase, profit sharing, stock option, deferred compensation, severance or termination pay, insurance, medical, hospital, dental, vision care, drug, sick leave, disability, salary continuation, legal benefits, unemployment benefits, vacation, incentive or otherwise contributed to, or required to be contributed to, by the Corporation and/or any Subsidiary for the benefit of any current or former director, officer, employee or consultant of the Corporation and/or any Subsidiary (the "**Employee Plans**"), each of which has been maintained in all material respects with its terms and with the requirements

prescribed by any and all statutes, orders, rules and regulations that are applicable to such Employee Plans;

- (oo) the Corporation and each Subsidiary is in compliance with all laws respecting employment and employment practices, terms and conditions of employment, pay equity and wages, except where non-compliance with such laws could not reasonably be expected to have a Material Adverse Effect;
- (pp) other than as disclosed in the Offering Documents, neither the Corporation nor any of its Subsidiaries has made any material loans to or guaranteed the obligations of any person;
- (qq) all of the material contracts and agreements of the Corporation have been disclosed in the Offering Documents and, if required under Securities Laws, have or will be filed with the Canadian Securities Regulators. Neither the Corporation nor any of its Subsidiaries has received any notification from any party that it intends to terminate any such material contract;
- (rr) each of the material agreements and other documents and instruments pursuant to which the Corporation holds its property and assets and conducts its business is a valid and subsisting agreement, document and instrument in full force and effect, enforceable in accordance with the terms thereof, the Corporation is not in default of any of the material provisions of any such agreements, instruments or documents nor has any such default been alleged;
- (ss) there is no action, suit, proceeding, inquiry or investigation before or brought by any court or governmental agency or body, domestic or foreign, now pending, or, to the knowledge of the Corporation, threatened, against or affecting the Corporation or any of its Subsidiaries which is required to be disclosed in the Prospectus;
- (tt) the minute books and corporate records of the Corporation and the Subsidiaries for the period from incorporation to the date hereof made available to the Agent contain copies of all proceedings (or certified copies thereof or drafts thereof pending approval) of the shareholders and the directors (or any committee thereof) thereof and there have been no other meetings, resolutions or proceedings of the shareholders or directors of the Corporation or such Subsidiaries to the date hereof not reflected in such corporate records, other than those which are not material to the Corporation or the Subsidiaries, as the case may be;
- (uu) no order, ruling or determination having the effect of suspending the sale or ceasing the trading in any securities of the Corporation has been issued by any regulatory authority and is continuing in effect and no proceedings for that purpose have been instituted or, to the knowledge of the Corporation, are pending, contemplated or threatened by any regulatory authority;

- (vv) there are no material facts or material changes relating to the Corporation or any Subsidiary required to be disclosed pursuant to Securities Laws which are not referenced in the Offering Documents;
- (ww) information available on the Corporation's profile at www.sedar.com was accurate and complete on the date of filing such information and such information did not contain a misrepresentation as of such date;
- (xx) the Corporation is in compliance in all material respects with all its disclosure obligations under Securities Laws (including, without limitation, all of its disclosure obligations pursuant to NI 51-102 and pursuant to National Instrument 58-101 – *Disclosure of Corporate Governance Practices* of the Canadian Securities Administrators). Each of the Disclosure Documents is, as of the date thereof, in compliance in all material respects with Securities Laws of the Reporting Jurisdictions and did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading and such documents collectively constitute full, true and plain disclosure of all material facts relating to the Corporation and do not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, as of the date thereof. There is no fact known to the Corporation which the Corporation has not publicly disclosed which results in a Material Adverse Effect or materially adversely affects the ability of the Corporation to perform its obligations under this Agreement;
- (yy) the Corporation has not entered into any agreement to complete any “significant acquisition” nor is it proposing any “probable acquisitions” (as such terms are defined in NI 51-102) that would require the filing of a “business acquisition report” (as defined in NI 51-102) pursuant to Securities Laws and the BZAM Financial Statements included in the BZAM BAR are the only financial statements required to be included in the BZAM BAR and incorporated by reference into the Prospectus pursuant to Securities Laws;
- (zz) all information (including the Offering Documents) which has been prepared by the Corporation relating to the Corporation and the Subsidiaries and their respective businesses, properties and liabilities and either publicly disclosed or provided to the Agent, including all financial, marketing and operational information provided to the Agent, as of the date of such information, (i) are true and correct in all material respects, (ii) do not contain a misrepresentation, and (iii) no material fact or facts have been omitted therefrom that would make such information materially misleading, and – the Corporation is not aware of any circumstances presently existing under which liability is or would reasonably be expected to be incurred under Part XXIII.1 – *Civil Liability for Secondary Market Disclosure* of the *Securities Act* (Ontario) and analogous secondary market liability disclosure provisions under applicable Securities Laws;

- (aaa) with respect to forward-looking information contained in the Offering Documents:
- (i) the Corporation had a reasonable basis for the forward-looking information at the time the disclosure was made;
 - (ii) all forward-looking information is identified as such, and all such documents caution users of forward-looking information that actual results may vary from the forward-looking information and identifies material risk factors that could cause actual results to differ materially from the forward-looking information; and states the material factors or assumptions used to develop forward-looking information;
 - (iii) all future-oriented financial information and each financial outlook: (A) has been prepared in accordance with IFRS, using the accounting policies the Corporation expects to use to prepare its historical financial statements for the period covered by the future-oriented financial information or the financial outlook; (B) presents fully, fairly and correctly in all material respects the expected results of the operations for the periods covered thereby; (C) is based on assumptions that are reasonable in the circumstances, reflect the Corporation's intended course of action, and reflect management's expectations concerning the most probable set of economic conditions during the periods covered thereby; and
 - (iv) is limited to a period for which the information in the future-oriented financial information or financial outlook can be reasonably estimated;
- (bbb) all filings and fees required to be made and paid by the Corporation pursuant to applicable laws and general corporate and Securities Laws in the Reporting Jurisdictions have been made and paid and such disclosure and filings were true and accurate in all material respects as at the respective dates thereof, and the Corporation has not filed any confidential material change reports or similar confidential report with any Canadian Securities Regulators that are still maintained on a confidential basis;
- (ccc) the Corporation is currently a "reporting issuer" in good standing in each of the provinces and territories of Canada and is in compliance, in all material respects, with all of its obligations as a reporting issuer and since incorporation has not been the subject of any investigation by any stock exchange or any Securities Regulator, is current with all filings required to be made by it under Securities Laws and other laws, is not aware of any deficiencies in the filing of any documents or reports with any Securities Regulator and there is no material change relating to the Corporation which has occurred and with respect to which the requisite news release or material change report has not been filed with the Securities Regulators;

- (ddd) the Corporation is an eligible short-form issuer in each of the Reporting Jurisdictions and is qualified under NI 44-101 and National Instrument 44-102 – *Shelf Procedures* to file the Prospectus Supplement in each of the Offering Jurisdictions and on the date of and upon filing of the Prospectus Supplement there will be no documents required to be filed under Securities Laws in connection with the distribution of the Units that will not have been filed as required;
- (eee) the Corporation consents to the use by the Agent of the Offering Documents in connection with the distribution of the Units in the Offering Jurisdictions in compliance with the provisions of this Agreement;
- (fff) the Corporation and each of the Subsidiaries owns or has all proprietary rights provided in law and at equity to all patents, trademarks, service marks, logos, slogans, whether in word mark or stylized or design format, copyrights, industrial designs, software, trade secrets, industrial designs, invention, technical data and information, know how, concepts, information and other intellectual and industrial property, whether registered or unregistered, and all rights and claims related thereto (collectively, “**Intellectual Property**”) necessary to permit the Corporation and the Subsidiaries to conduct their respective business as currently conducted. Neither the Corporation nor any Subsidiary has received any notice nor is the Corporation aware of any infringement of or conflict with asserted rights of others with respect to any Intellectual Property or of any facts or circumstances that would render any Intellectual Property invalid or inadequate to protect the interests of the Corporation or a Subsidiary therein and which infringement or conflict (if subject to an unfavourable decision, ruling or finding) or invalidity or inadequacy would have a Material Adverse Effect;
- (ggg) the Corporation and each Subsidiary has taken all reasonable steps to protect its Intellectual Property in those jurisdictions where, in the reasonable opinion of the Corporation and/or each Subsidiary carries on a sufficient business to justify such filings, except that the Corporation still intends to file additional trademark applications;
- (hhh) there are no material restrictions on the ability of the Corporation and the Subsidiaries to use and explore all rights in the Intellectual Property required in the ordinary course of the business of the Corporation and each Subsidiary, as applicable. None of the rights of the Corporation and each Subsidiary in the Intellectual Property will be impaired or affected in any way by the transactions contemplated by this Agreement;
- (iii) neither the Corporation nor any Subsidiary has received any notice or claim (whether written, oral or otherwise) challenging its ownership or right to use of any Intellectual Property or suggesting that any other person has any claim of legal or beneficial ownership or other claim or interest with respect thereto, nor to the knowledge of the Corporation, is there a reasonable basis for any claim that

any person other than the Corporation or a Subsidiary has any claim of legal or beneficial ownership or other claim or interest in any Intellectual Property;

(jjj) all registrations of Intellectual Property are in good standing and are recorded in the name of the Corporation or a Subsidiary in the appropriate offices to preserve the rights thereto. Other than as would not have a Material Adverse Effect, all such registrations have been filed, prosecuted and obtained in accordance with all applicable legal requirements and are currently in effect and in compliance with all applicable legal requirements. No registration of Intellectual Property has expired, become abandoned, been cancelled or expunged, or has lapsed for failure to be renewed or maintained, except where such expiration, abandonment cancellation, expungement or lapse would not have a Material Adverse Effect;

(kkk) except as disclosed in the Prospectus:

(i) to the best of the knowledge of the Corporation, the property, assets and operations of the Corporation and each Subsidiary comply in all material respects with all applicable Environmental Laws (which term means and includes, without limitation, any and all applicable federal, provincial, municipal or local laws, statutes, regulations, treaties, orders, judgments, decrees, ordinances, official directives and all authorizations relating to the environment, occupational health and safety, or any Environmental Activity (which term means and includes, without limitation, any past or present activity, event or circumstance in respect of a Contaminant (which term means and includes, without limitation, any pollutants, dangerous substances, liquid wastes, hazardous wastes, hazardous materials, hazardous substances or contaminants or any other matter including any of the foregoing, as defined or described as such pursuant to any Environmental Law), including, without limitation, the storage, use, holding, collection, purchase, accumulation, assessment, generation, manufacture, construction, processing, treatment, stabilization, disposition, handling or transportation thereof, or the release, escape, leaching, dispersal or migration thereof into the natural environment, including the movement through or in the air, soil, surface water or groundwater));

(ii) to the best of the knowledge of the Corporation, the Corporation and each Subsidiary have obtained all material licences, permits, approvals, consents, certificates, registrations and other authorizations under all applicable Environmental Laws (the “**Environmental Permits**”) necessary as at the date hereof for the operation of the businesses currently carried on by the Corporation and each Subsidiary, and each Environmental Permit is valid, subsisting and in good standing and, to the best knowledge of the Corporation neither the Corporation nor each Subsidiary is in material default or breach of any Environmental Permit and, to the best of the knowledge of the Corporation, no proceeding is pending or threatened to revoke or limit any Environmental Permit;

- (iii) the Corporation and each Subsidiary do not have any knowledge of, and have not received any notice of, any material claim, judicial or administrative proceeding, pending or threatened against, or which may materially affect, either the Corporation or each Subsidiary or any of the property, assets or operations thereof, relating to, or alleging any violation of any Environmental Laws, the Corporation is not aware of any facts which could give reasonably be expected to give rise to any such claim or judicial or administrative proceeding and neither the Corporation nor each Subsidiary nor any of the property, assets or operations thereof is the subject of any investigation, evaluation, audit or review by any Governmental Authority to determine whether any violation of any Environmental Laws has occurred or is occurring or whether any remedial action is needed in connection with a release of any Contaminant into the environment, except for compliance investigations conducted in the normal course by any Governmental Authority;
 - (iv) the Corporation and each Subsidiary have not given or filed any notice under any federal, provincial or local law with respect to any Environmental Activity, neither the Corporation nor each Subsidiary has any material liability (whether contingent or otherwise) in connection with any Environmental Activity and, to the knowledge of the Corporation, no notice has been given under any federal, state, provincial or local law or of any material liability (whether contingent or otherwise) with respect to any Environmental Activity relating to or affecting the Corporation or each Subsidiary or the property, assets, business or operations thereof;
 - (v) the Corporation and each Subsidiary do not store any hazardous or toxic waste or substance on the property thereof and have not disposed of any hazardous or toxic waste, in each case in a manner contrary to any Environmental Laws, and to the best of the knowledge of the Corporation, there are no Contaminants on any of the premises at which the Corporation or each Subsidiary carries on business, in each case other than in compliance with Environmental Laws; and
 - (vi) to the best of the knowledge of the Corporation, the Corporation and each Subsidiary are not subject to any contingent or other material liability relating to non-compliance with Environmental Law;
- (III) there are no environmental audits, evaluations, assessments, studies or tests relating to the Corporation except for ongoing assessments conducted by or on behalf of the Corporation in the ordinary course;
- (mmm) any and all of the material agreements and other material documents and instruments pursuant to which any of the Corporation and/or a Subsidiary holds the property and assets thereof (including any interest in, or right to earn an interest in, any Intellectual Property) are valid and subsisting agreements, documents or instruments in full force and effect, enforceable in accordance with

the terms thereof, none of the Corporation nor a Subsidiary is in default of any of the material provisions of any such agreements, documents or instruments nor has any such default been alleged and such properties and assets are in good standing under the applicable statutes and regulations of the jurisdictions in which they are situated, all material leases, licences and other agreements pursuant to which the Corporation or a Subsidiary derives the interests thereof in such property and assets are in good standing and there has been no material default under any such lease, licence or agreement. None of the properties (or any interest in, or right to earn an interest in, any property) of the Corporation or a Subsidiary is subject to any right of first refusal or purchase or acquisition right;

- (nnn) the Corporation is not aware of any licensing or legislation, regulation, by-law or other lawful requirement of any Governmental Authority having lawful jurisdiction over the Corporation presently in force or, to its knowledge, proposed to be brought into force, or any pending or contemplated change to any licensing or legislation, regulation, by-law or other lawful requirement of any Governmental Authority having lawful jurisdiction over the Corporation or any Subsidiary presently in force, that the Corporation anticipates the Corporation or any one of its Subsidiaries will be unable to comply with or which could reasonably be expected to materially adversely affect the business of the Corporation or a Subsidiary or the business environment or legal environment under which such entity operates;
- (ooo) the Corporation and each Subsidiary maintains insurance by insurers of recognized financial responsibility, against such losses, risks and damages to their assets (including biological assets) in such amounts as are customary for the business in which they are engaged and on a basis consistent with reasonably prudent persons in comparable businesses, and all of the policies in respect of such insurance coverage, fidelity or surety bonds insuring the Corporation and the Subsidiaries, and their respective directors, officers and employees, and the Corporation's and the Subsidiaries' assets, are in good standing and in full force and effect in all respects, and not in default. Each of the Corporation and each Subsidiary is in compliance with the terms of such policies and instruments in all material respects and there are no material claims by the Corporation or any Subsidiary under any such policy or instrument as to which any insurance company is denying liability or defending under a reservation of rights clause; the Corporation has no reason to believe that it will not be able to renew such existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would not have a Material Adverse Effect, and neither the Corporation nor any Subsidiary has failed to promptly give any notice of any material claim thereunder;
- (ppp) none of the Corporation or any Subsidiary, or, to the knowledge of the Corporation, any employee or agent thereof, has made any unlawful contribution or other payment to any official of, or candidate for, any federal, state, provincial or foreign office, or failed to disclose fully any contribution, in violation of any

law, or made any payment to any foreign, Canadian, governmental officer or official, or other person charged with similar public or quasi-public duties, other than payments required or permitted by applicable laws;

- (qqq) all information which has been prepared by the Corporation or any Subsidiary relating to the Corporation or any Subsidiary or their respective business, properties and liabilities and made available to the Agent, was, as of the date of such information and is as of the date hereof, true and correct in all material respects, taken as a whole, and no fact or facts have been omitted therefrom which would make such information materially misleading;
- (rrr) the statements set forth in the Prospectus under the headings “Eligibility for Investment” and “Certain Canadian Federal Income Tax Considerations” are accurate, subject to the limitations and qualifications set out therein;
- (sss) the Corporation has not withheld and will not withhold from the Agent prior to the Closing Time, any material facts relating to the Corporation, any of its Subsidiaries or the Offering;
- (ttt) the Corporation has provided the Agent with copies of all material documents and correspondence relating to the licenses (the “**Licenses**”) issued by Health Canada pursuant to the Cannabis Act to the Corporation and any Subsidiary. The Corporation and its Subsidiaries are in compliance with the terms and conditions of all such Licenses and all other licences required in connection with their respective businesses and the Corporation does not anticipate any variations or difficulties in renewing such Licenses or any other required licence or permit. The Offering (including the proposed use of proceeds of the Offering) will not have any adverse impact on the Licenses or require the Corporation or any Subsidiary to obtain any new license under the Cannabis Act;
- (uuu) neither the Corporation nor any Subsidiary is required to obtain any permits or licences other than the Licenses pursuant to the Cannabis Act or any other permits from Health Canada or any similar federal, provincial or municipal regulatory body or self-regulatory body in connection with the current and proposed conduct of its business;
- (vvv) neither the Corporation nor any Subsidiary has received any notice or communication from any customer or Health Canada alleging a defect or claim in respect of any products supplied or sold by the Corporation or any Subsidiary to a customer and, to the Corporation’s knowledge, there are no circumstances that would give rise to any reports, recalls, public disclosure, announcements or customer communications that are required to be made by the Corporation or any Subsidiary in respect of any products supplied or sold by the Corporation or any Subsidiary;
- (www) all product research and development activities, including quality assurance, quality control, testing, and research and analysis activities, conducted by the

Corporation and each Subsidiary in connection with their business is being conducted in accordance with best industry practices and in compliance, in all material respects, with all industry, laboratory safety, management and training standards applicable to the Corporation's current and proposed business, and all such processes, procedures and practices, required in connection with such activities are in place as necessary and are being complied with, in all material respects;

- (xxx) each of the Corporation and each Subsidiary has security measures and safeguards in place to protect personal information it collects from registered patients and customers and other parties from illegal or unauthorized access or use by its personnel or third parties or access or use by its personnel or third parties in a manner that violates the privacy rights of third parties. The Corporation and the Subsidiaries have complied, in all material respects, with all applicable privacy and consumer protection legislation and none has collected, received, stored, disclosed, transferred, used, misused or permitted unauthorized access to any information protected by privacy laws, whether collected directly or from third parties, in an unlawful manner. The Corporation and the Subsidiaries have taken all reasonable steps to protect personal information against loss or theft and against unauthorized access, copying, use, modification, disclosure or other misuse;
- (yyy) there is no person acting or purporting to act at the request or on behalf of the Corporation that is entitled to any brokerage or finder's fee or other compensation in connection with the transactions contemplated by this Agreement; and
- (zzz) the operations of the Corporation and each Subsidiary have been conducted at all times in compliance with the applicable federal and state laws relating to terrorism or money laundering ("**Anti-Terrorism Laws**"), including: the financial recordkeeping and reporting requirements of The Bank Secrecy Act of 1970, as amended; Executive Order No. 13224 on Terrorist Financing, effective September 24, 2001 (the "**Executive Order**"); the Corruption of Foreign Public Officials Act (Canada), the Foreign Corrupt Practices Act of 1977 (United States), as amended, the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Public Law 107-56, and the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada), and neither of the Corporation nor any Subsidiary is (i) a person that is listed in the annex to, or is otherwise subject to the provisions of, the Executive Order; (ii) a person owned or controlled by, or acting for or on behalf of, any person that is listed in the annex to, or is otherwise subject to the provisions of, the Executive Order; (iii) a person with which the Agent or any other persons are prohibited from dealing or otherwise engaging in any transaction by any Anti-Terrorism Law; (iv) a person that commits, threatens or conspires to commit or supports "terrorism" as defined in the Executive Order; or (v) a person that is named as a "specially designated national and blocked person" on the most current list published by the U.S. Treasury Department Office of Foreign Assets Control ("**OFAC**") at its official website or any replacement

website or other replacement official publication of such list or any other person (including any foreign country and any national of such country) with whom the United States Treasury Department prohibits doing business in accordance with OFAC regulations. No action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Corporation or the Subsidiary with respect to Anti-Terrorism Laws is pending or, to the knowledge of the Corporation or any Subsidiary, threatened. The Corporation and each Subsidiary, and their affiliates have conducted their businesses in compliance with the Anti-Terrorism Laws and will implement and maintain policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance with the Anti-Terrorism Laws.

8. **Representations and Warranties of the Agent.** The Agent hereby represents and warrants to the Corporation, and acknowledges that the Corporation is relying upon such representations and warranties, that:

- (a) The Agent it is a valid and subsisting corporation duly incorporated and in good standing under the laws of the jurisdiction in which it is incorporated.
- (b) The Agent has all requisite power and authority and good and sufficient right and authority to enter into, deliver any carry out its obligations under this Agreement and complete the transactions contemplated under this Agreement on the terms and conditions set forth herein
- (c) Other than the Marketing Materials, the Agent has not provided any marketing materials to any potential investors in connection with the Offering.
- (d) In respect of the offer and sale of the Units, the Agent has complied with the provisions of this Agreement in all material respects and all Securities Laws in the Offering Jurisdictions.
- (e) The Agent is, and will remain so until completion of the Offering, duly registered or qualified under applicable securities laws in the Offering Jurisdictions and is duly registered or licensed as a broker-dealer or an investment dealer in those jurisdictions in which it is required to be so registered in order to perform the services contemplated by this Agreement, including to offer and sell the Units in the Offering Jurisdictions, or where not so registered or licensed, the Agent has acted only through members of a Selling Group who are so registered or licensed.
- (f) The Agent and its representatives have not engaged in or authorized, and will not engage in or authorize, any form of general solicitation or general advertising in connection with or in respect of the Units in any newspaper, magazine, printed media of general and regular paid circulation or any similar medium, or broadcast over radio or television or other telecommunications, including electronic display, or otherwise or conducted any seminar or meeting concerning the offer or sale of

the Units whose attendees have been invited by any general solicitation or general advertising.

9. **Closing Deliveries.** The purchase and sale of the Offered Units and, if applicable, the Additional Securities shall be completed at the Closing Time and the Option Closing Time, respectively, at the offices of Aird & Berlis LLP in Toronto, Ontario, or at such other place as the Agent and the Corporation may agree. At the Closing Time and the Option Closing Time, as the case may be, the Corporation shall duly and validly deliver to the Agent confirmation of an electronic deposit of the Units with CDS Clearing and Depository Services Inc. (“CDS”) as directed by the Agent, through the non-certificated inventory system of CDS or as otherwise directed by the Agent in writing, against payment by the Agent to the Corporation, at the direction of the Corporation, in lawful money of Canada by wire transfer an amount equal to the aggregate purchase price for the Offered Units and the Additional Securities, as the case may be, being issued and sold hereunder less the Commission and all of the estimated out-of-pocket expenses of the Agent payable by the Corporation to the Agent in accordance with Section 18 hereof.

10. **Closing Conditions.** The obligation of the Agent to complete Closing at the Closing Time shall be subject to the following conditions (it being understood that the Agent may waive in whole or in part or extend the time for compliance with any of such terms and conditions without prejudice to its rights in respect of any other of the following terms and conditions or any other or subsequent breach or non-compliance, provided that to be binding on the Agent any such waiver or extension must be in writing):

- (a) all actions required to be taken by or on behalf of the Corporation, including without limitation the passing of all requisite resolutions of directors of the Corporation to approve the Prospectus, to list the Unit Shares and Warrant Shares on the CSE, to validly offer, sell and distribute the Units, to pay the Commission and to grant the Agent’s Option will have been taken;
- (b) the Corporation shall have made all necessary filings with and obtained all necessary approvals, consents and acceptances of the Canadian Securities Regulators for the Prospectus and to permit the Corporation to complete its obligations hereunder;
- (c) no order ceasing or suspending trading in any securities of the Corporation, or prohibiting the trade or distribution of any of the securities of the Corporation will have been issued and no proceedings for such purpose, to the best of the knowledge of the Corporation, will be pending or threatened;
- (d) the Agent not having exercised any rights of termination set forth in this Agreement;
- (e) the Corporation shall have, as of the Closing Time, complied with all of its material covenants and agreements contained in this Agreement;
- (f) the Agent shall have received executed Lock-Up Agreements in favour of the Agent as required pursuant to Section 13 of this Agreement;

- (g) the Agent shall have received an executed copy of the Warrant Indenture;
- (h) the Agent shall have received an opinion, dated the Closing Date and subject to customary qualifications, of Aird & Berlis LLP the Corporation's legal counsel, addressed to the Agent and its legal counsel as to all legal matters customarily and reasonably requested by the Agent relating to the Corporation and the creation, issuance and sale of the Units and underlying securities or, instead of rendering opinions relating to the laws of the Offering Jurisdictions other than Ontario, the Corporation's solicitors may engage one or more legal counsel in the Offering Jurisdictions or elsewhere to provide such local counsel opinions as may be necessary;
- (i) the Agent shall have received a legal opinion dated the Closing Date from local counsel to the Corporation as to the incorporation, capacity, ownership, subsistence and authorized and issued capital of each of the Corporation and the Material Subsidiaries, and such other legal matters reasonably requested by the Agent;
- (j) the Agent shall have received a certificate, dated the Closing Date, addressed to the Agent, with respect to the constating documents of the Corporation, all resolutions of the Corporation's board of directors related to the Offering, and the incumbency and specimen signatures of the Chief Executive Officer, the Chief Financial Officer and any other officer of the Corporation signing this Agreement or any document delivered hereunder;
- (k) the Agent shall have received a certificate, dated the Closing Date, of such two senior officers of the Corporation as are acceptable to the Agent, addressed to the Agent, to the effect that, to the best of their knowledge, information and belief, after due enquiry and without personal liability:
 - (i) the representations and warranties of the Corporation in this Agreement are true and correct in all material respects as if made at and as of the Closing Time and the Corporation has performed all covenants and agreements and satisfied all conditions on its part to be performed or satisfied in all material respects at or prior to the Closing Time;
 - (ii) no order, ruling or determination having the effect of suspending the sale or ceasing, suspending or restricting the trading of Common Shares in the Reporting Jurisdictions has been issued or made by any stock exchange, securities commission or regulatory authority and is continuing in effect and, to the knowledge of the officers, no proceedings, investigations or enquiries for that purpose have been instituted or are pending; and
 - (iii) subsequent to the respective dates as at which information is given in the Prospectus, there has not been a Material Adverse Change other than as disclosed in the Prospectus or any Supplementary Material, as the case may be.

- (l) the Agent shall have received a letter dated as of the Closing Date, in form and substance satisfactory to the Agent, addressed to the Agent and the directors of the Corporation from the Corporation's Auditor and BZAM's Auditor, confirming the continued accuracy of the comfort letters to be delivered to the Agent pursuant to subsection 4(a) hereof with such changes as may be necessary to bring the information in such letter forward to a date not more than two Business Days prior to the Closing Date, which changes shall be acceptable to the Agent;
- (m) the Unit Shares and Warrant Shares shall be listed on the CSE, subject only to the official notices of issuance;
- (n) the Agent shall have received a certificate of good standing in respect of the Corporation as at the date that is one Business Day prior to the Closing Date;
- (o) the Agent shall have received a certificate of good standing (or equivalent in its jurisdiction) in respect of each of the Subsidiaries (other than the Material Subsidiaries., The Green Organic Dutchman Germany GmbH and The Green Organic Beverage Corp.) as at the date that is no more than three Business Days prior to the Closing Date;
- (p) the Agent shall have received certificates or lists, issued under the Securities Laws of the Reporting Jurisdictions stating or evidencing that the Corporation is not in default under such Securities Laws; and
- (q) the Agent shall have received a certificate from the Transfer Agent as to the number of Common Shares issued and outstanding as at a date no more than two Business Days prior to the Closing Date.

11. **Closing of Agent's Option.** The Agent's obligation to complete closing of the Additional Securities on the Option Closing Date (in the event that the Agent's Option is exercised) shall be subject to the accuracy of the representations and warranties of the Corporation contained in this Agreement as of the Option Closing Date and the performance by the Corporation of its obligations under this Agreement. The Corporation agrees to fulfill or cause to be fulfilled the following conditions (it being understood that the Agent may waive in whole or in part or extend the time for compliance with any of such terms and conditions without prejudice to its rights in respect of any other of the following terms and conditions or any other or subsequent breach or non-compliance, provided that to be binding on the Agent any such waiver or extension must be in writing):

- (a) the Agent shall have received an opinion, dated the Option Closing Date and subject to customary qualifications, of Aird & Berlis LLP, the Corporation's legal counsel, addressed to the Agent and its legal counsel in substantially the same form as the opinion delivered pursuant to subsection 10(h) or, instead of rendering opinions relating to the laws of the Offering Jurisdictions other than Ontario, the Corporation's solicitors may engage one or more legal counsel in the Offering Jurisdictions or elsewhere to provide such local counsel opinions as may be necessary:

- (b) the Agent shall have received a letter dated as of the Option Closing Date, in form and substance satisfactory to the Agent, addressed to the Agent and the directors of the Corporation from the Corporation's Auditors and BZAM's Auditor confirming the continued accuracy of the comfort letters to be delivered to the Agent pursuant to subsection 4(a) hereof with such changes as may be necessary to bring the information in such letter forward to a date not more than two Business Days prior to the Option Closing Date, which changes shall be acceptable to the Agent;
- (c) the Agent shall have received a certificate in the form set out in subsection 10(k) dated as of the Option Closing Date;
- (d) the Agent shall have received a certificate in the form set out in subsection 10(j) dated as of the Option Closing Date; and
- (e) the Agent shall have received such other certificates, agreements, materials or documents as they may reasonably request.

In the event that the Corporation shall subdivide, consolidate, reclassify or otherwise change its Common Shares during the period in which the Agent's Option is exercisable, appropriate adjustments will be made to the Offering Price and to the number of Additional Securities issuable on exercise thereof such that the Agent is entitled to arrange for the sale of the same number and type of securities that the Agent would have otherwise arranged for had it exercised such Agent's Option immediately prior to such subdivision, consolidation, reclassification or change.

12. **Restrictions on Further Issues or Sales.** The Corporation agrees that it will not, directly or indirectly, without the prior written consent of the Agent, such consent not to be unreasonably withheld or delayed, from the date hereof until the date that is 90 days from the Closing Date, offer, issue, sell, grant, secure, pledge, or otherwise transfer, dispose of or monetize, or engage in any hedging transaction, or enter into any form of agreement or arrangement the consequence of which is to alter economic exposure to, or announce any intention to do so, in any manner whatsoever, any Common Shares or securities convertible into, exchangeable for, or otherwise exercisable to acquire Common Shares or other equity securities, other than: (i) pursuant to the Offering; (ii) the issuance of non-convertible debt securities; (iii) upon the exercise of convertible securities, options or warrants of the Corporation outstanding as of the date hereof; (iv) pursuant to the Corporation's obligations in respect of existing agreements, stock option plan or any other share compensation arrangement of the Corporation; (v) pursuant to any acquisition of shares or assets of arm's length persons; (vi) in connection with any strategic transactions, investments or supply, consulting, licensing, joint venture or similar agreements between the Corporation and a third party, including any stock options or other convertible securities that may be issued to any arm's length persons in connection with such strategic transactions, investments or supply, consulting, licensing, joint venture or similar agreements; or (vii) in connection with a shares for debt transaction that has been disclosed by the Corporation to the Agent.

13. **Lock-up Agreements.** The Corporation agrees that it will use commercially reasonable efforts to cause its directors and officers and each of such director's and senior officer's associates and affiliates (collectively, the "**Insiders**") to deliver signed agreements (the "**Lock-Up Agreements**"), in form and content acceptable to the Agent and its counsel, acting reasonably, to the Agent on or before the Closing Time, pursuant to which the Insiders agree that for a period of 90 days from the Closing Date, without the consent of Clarus, such consent not to be unreasonably withheld or delayed, each will not, directly or indirectly, offer, sell, contract to sell, grant any option to purchase, make any short sale, or otherwise dispose of, or transfer, or announce any intention to do so, any Common Shares or securities exchangeable or convertible into Common Shares, whether now owned directly or indirectly, or under their control or direction, or with respect to which each has beneficial ownership, or enter into any transaction or arrangement that has the effect of transferring, in whole or in part, any of the economic consequences of ownership of Common Shares or securities exchangeable or convertible into Common Shares, other than pursuant to: (i) a take-over bid or any other similar transaction made generally to all of the shareholders of the Corporation; (ii) the grant or exercise of previously issued convertible securities, options or warrants; (iii) transfers among a shareholder's affiliates for tax or other planning purposes; or (iv) as a result of the death of any individual shareholder.

14. **Termination Events.**

- (a) All terms and conditions set out in this Agreement will be construed as conditions and any material breach or failure by the Corporation to comply with any such conditions in favour of the Agent will entitle the Agent to terminate and cancel, without any liability on the part of the Agent, all of its obligations under this Agreement and the obligations of any Purchaser to purchase the Units, by notice in writing to that effect delivered to the Corporation prior to or at the Closing Time. The Corporation will use commercially reasonable efforts to cause all conditions in this Agreement over which it has control to be satisfied. It is understood that the Agent may waive in whole or in part, or extend the time for compliance with, any of such terms and conditions without prejudice to their rights in respect of any subsequent breach or non-compliance; provided, however, that to be binding on the Agent, any such waiver or extension must be in writing and signed by the Agent.
- (b) In addition to any other remedies which may be available to the Agent in respect of any default, act or failure to act, non-compliance with the terms of this Agreement by the Corporation, the Agent will be entitled, at its sole option, to terminate and cancel, without any liability on the part of the Agent, all of its obligations under this Agreement and the obligations of any Purchaser to purchase the Units, by notice in writing to that effect delivered to the Corporation prior to or at the Closing Time if:
 - (i) there shall be any material change or change in a material fact, or there should be discovered any previously undisclosed material fact required to be disclosed in the Prospectus, or any amendment thereto, in each case which, in the reasonable opinion of the Agent, acting reasonably and in good faith, has or would be expected to have a material adverse effect on

the market price or value of the Common Shares or any other securities of the Corporation;

- (ii) there should develop, occur or come into effect or existence any event, action, state, condition (including without limitation, terrorism or accident) or major financial occurrence of national or international consequence or a new or change in any law or regulation which in the sole opinion of the Agent, acting reasonably and in good faith, seriously adversely affects or involves or may seriously adversely affect or involve the financial markets or the business, operations or affairs of the Corporation and its Subsidiaries taken as a whole or the market price or value of the securities of the Corporation;
- (iii) the Corporation is in breach of any material term, condition or covenant of this Agreement or any material representation or warranty given by the Corporation in this Agreement becomes or is false in any material respect and cannot be cured;
- (iv) any inquiry, action, suit, proceeding or investigation (whether formal or informal), including matters of regulatory transgression or unlawful conduct, is commenced, announced or threatened in relation to the Corporation, where wrong-doing is alleged or any order is made by any federal, provincial, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality (including without limitation the Securities Regulators), which operates to prevent or restrict materially the trading or distribution of the securities of the Corporation or materially adversely affects the market price, value or marketability of the securities of the Corporation;
- (v) any order, action or proceeding which cease trades or otherwise operates to prevent or restrict the trading of the Common Shares or any other securities of the Corporation is made or threatened by a Securities Regulator;
- (vi) the state of the financial markets, whether national or international, is such that in the sole opinion of the Agent, acting reasonably and in good faith, it would be impractical or unprofitable to offer or continue to offer the Units for sale; or
- (vii) the Agent shall become aware, as a result of its due diligence review or otherwise, of any adverse material change with respect to the Corporation (in the sole opinion of the Agent, acting reasonably and in good faith) which had not been publicly disclosed prior to the date of the Letter Agreement and which would have a material adverse effect on the market price, value or marketability of the securities of the Corporation.

- (c) .The Agent will use commercially reasonable efforts to give the notice to the Corporation as contemplated by subsection 14(b) the occurrence of any of the events or circumstances referred to therein, provided that neither the giving nor the failure to give such notice will in any way affect the Agent's entitlement to exercise its rights contained in Section 14 at any time through to the Closing Time.

The Agent shall be entitled to terminate and cancel its obligations to the Corporation hereunder in accordance with this Section 14 by written notice to that effect given to the Corporation at any time prior to the Closing.

15. **Exercise of Termination Right.** The rights of termination contained in Section 14 may be exercised by the Agent and are in addition to any other rights or remedies the Agent may have in respect of any default, act or failure to act or non-compliance by the Corporation respect of any of the matters contemplated by this Agreement or otherwise. If this Agreement is terminated by the Agent pursuant to Section 14, there shall be no further liability to the Corporation on the part of the Agent or of the Corporation to the Agent, except in respect of any liability which may have arisen or may thereafter arise under Sections 17 and 18.

16. **Survival of Representations and Warranties.** The representations, warranties, covenants and indemnities of the Corporation and the Agent contained in this Agreement will survive the Closing for a period of three years.

17. **Indemnity.**

- (a) The Corporation hereby agrees to indemnify and save harmless to the maximum extent permitted by law, the Agent, its affiliates and other syndicate members and their respective directors, officers, employees, partners, agents, advisors and shareholders (collectively, the "**Indemnified Parties**" and individually, an "**Indemnified Party**") from and against any and all losses, claims (including shareholder actions, derivative or otherwise), actions, suits, proceedings, investigations, damages, liabilities or expenses of whatsoever nature or kind (excluding loss of profits), whether joint or several, including the aggregate amount paid in reasonable settlement of any actions, suits, proceedings, investigations or claims, and the reasonable fees, expenses, disbursements and taxes of their counsel in connection with any action, suit, proceeding, investigation or claim that may be made or threatened against any Indemnified Party or in enforcing this indemnity (each a "**Claim**" and, collectively, the "**Claims**") to which an Indemnified Party may become subject or otherwise involved in any capacity insofar as the Claim relates to, is caused by, results from, arises out of or is based upon, directly or indirectly, this Agreement whether performed before or after the execution of this Agreement by the Corporation, including, without limitation, in any way caused by, or arising directly or indirectly from, or in consequence of:
 - (i) any misrepresentation (as such term is defined in the *Securities Act* (Ontario)) or alleged misrepresentation contained in this Agreement, the

Warrant Indenture, the Prospectus, or any amendments thereto, filed in connection with the sale of the Units pursuant to the Offering or in any documents incorporated therein by reference;

- (ii) any information or statement (except any information or statement relating solely to the Agent) contained in this Agreement, the Warrant Indenture, the Prospectus, or any amendments thereto, or any certificate of the Corporation delivered under or pursuant to this Agreement which at the time and in light of the circumstances under which it was made contains or is alleged to contain a misrepresentation;
- (iii) any omission or alleged omission to state, in this Agreement, the Warrant Indenture, the Prospectus or any certificate of the Corporation delivered under or pursuant to this Agreement, any fact (except facts relating solely to the Agent), whether material or not, required to be stated in such document or necessary to make any statement in such document not misleading in light of the circumstances under which it was made; or
- (iv) the non-compliance or alleged non-compliance by the Corporation with any requirements of the *Securities Act* (Ontario) or other applicable securities laws and regulations in connection with the Offering,

and to reimburse each Indemnified Party forthwith, upon demand, for any legal or other expenses reasonably incurred by such Indemnified Party in connection with any Claim.

- (b) If and to the extent that a court of competent jurisdiction, in a final non-appealable judgment in a proceeding in which an Indemnified Party is named as a party, determines that a Claim was caused by or resulted from an Indemnified Party's gross negligence willful misconduct, or fraud, or where such Claim relates to a claim of misrepresentation relating solely to any information or statement relating to the Agent, this indemnity shall cease to apply to such Indemnified Party in respect of such Claim and such Indemnified Party shall reimburse any funds advanced by the Corporation to the Indemnified Party pursuant to this indemnity in respect of such Claim. The Corporation agrees to waive any right the Corporation might have of first requiring the Indemnified Party to proceed against or enforce any other right, power, remedy or security or claim payment from any other person before claiming under this indemnity.
- (c) If any Claim is brought against an Indemnified Party or an Indemnified Party has received notice of the commencement of any investigation in respect of which indemnity may be sought against the Corporation, the Indemnified Party will give the Corporation prompt written notice of any such Claim of which the Indemnified Party has knowledge and the Corporation will undertake the investigation and defence thereof on behalf of the Indemnified Party, including the prompt employment of counsel acceptable to the Indemnified Parties affected, acting reasonably, and the payment of all expenses. Failure by the Indemnified

Party to so notify shall not relieve the Corporation of its obligation of indemnification hereunder unless (and only to the extent that) such failure results in forfeiture by the Corporation of substantive rights or defences.

- (d) No admission of liability and no settlement, compromise or termination of any Claim, or investigation shall be made without the consent of the Corporation and the consent of the Indemnified Parties affected, such consents not to be unreasonably withheld or delayed. Notwithstanding that the Corporation will undertake the investigation and defence of any Claim, the Indemnified Parties will have the right to employ separate counsel with respect to such Claim and participate in the defence thereof, but the fees and expenses of such counsel will be at the expense of the Indemnified Parties unless:
 - (i) employment of such counsel has been authorized in writing by the Corporation;
 - (ii) the Corporation has not assumed the defence of the action within a reasonable period of time after receiving notice of the Claim; or
 - (iii) the named parties to any such Claim include the Corporation, and any of the Indemnified Parties, and the Indemnified Parties shall have been advised by counsel to the Indemnified Parties that there may be a conflict of interest between the Corporation and any Indemnified Party;

in which case such fees and expenses of such counsel to the Indemnified Parties will be for the account of the Corporation. The rights accorded to the Indemnified Parties hereunder shall be in addition to any rights the Indemnified Parties may have at common law or otherwise.

- (e) The Corporation will not, without the Agent's prior written consent, settle, compromise, consent to the entry of any judgment in or otherwise seek to terminate any action, suit, proceeding, investigation or claim in respect of which indemnification may be sought hereunder (whether or not any Indemnified Party is a party thereto) unless such settlement, compromise, consent or termination includes a release of each Indemnified Party from any liabilities arising out of such action, suit, proceeding, investigation or claim.
- (f) Without limiting the generality of the foregoing, this indemnity shall apply to all reasonable expenses (including legal expenses), losses, claims and liabilities that the Agent may incur as a result of any action, suit, proceeding or claim that may be threatened or brought against the Corporation, subject to the exceptions listed in Section 17(b).
- (g) If for any reason the foregoing indemnification is unavailable (other than in accordance with the terms hereof) to the Indemnified Parties (or any of them) or insufficient to hold them harmless, the Corporation agrees to contribute to the amount paid or payable by the Indemnified Parties as a result of such Claims in such proportion as is appropriate to reflect not only the relative benefits received

by the Corporation on the one hand and the Indemnified Parties on the other, but also the relative fault of the parties and other equitable considerations which may be relevant. Notwithstanding the foregoing, the Corporation will in any event contribute to the amount paid or payable by the Indemnified Parties as a result of such Claim any amount in excess of the fees actually received by the Indemnified Parties hereunder.

- (h) The Corporation hereby constitutes the Agent as trustee for each of the other Indemnified Parties of the covenants of the Corporation under this indemnity with respect to such persons and the Agent agrees to accept such trust and to hold and enforce such covenants on behalf of such persons.
- (i) The Corporation agrees that, in any event, no Indemnified Party shall have any liability (either direct or indirect, in contract or tort or otherwise) to the Corporation, or any person asserting claims on their behalf or in right for or in connection with this Agreement, except to the extent that any losses, expenses, claims, actions, damages or liabilities incurred by the Corporation are determined by a court of competent jurisdiction in a final judgment (in a proceeding in which an Indemnified Party is named as a party) that has become non-appealable to have resulted from a material breach of this Agreement, breach of applicable laws, gross negligence or fraudulent act of such Indemnified Party.
- (j) The Corporation agrees to reimburse the Agent monthly for the time spent by the Agent's personnel in connection with any Claim at their reasonable per diem rates. The Corporation also agrees that if any action, suit, proceeding or claim shall be brought against, or an investigation commenced in respect of the Corporation and the Agent and personnel of the Agent shall be required to testify, participate or respond in respect of or in connection with this Agreement, the Agent shall have the right to employ its own counsel in connection therewith and the Corporation will reimburse the Agent monthly for the time spent by its personnel in connection therewith at their reasonable per diem rates together with such disbursements and reasonable out-of-pocket expenses as may be incurred, including fees and disbursements of the Agent's counsel.
- (k) The indemnity and contribution obligations of the Corporation shall be in addition to any liability which the Corporation may otherwise have to the Indemnified Parties, shall extend upon the same terms and conditions to the Indemnified Parties and shall be binding upon and enure to the benefit of any successors, assigns, heirs and personal representatives of the Corporation, and any Indemnified Party. The foregoing provisions shall survive the completion of professional services rendered under this Agreement or any termination of the authorization given by this Agreement.

18. **Expenses.** The Corporation shall pay all reasonable expenses and fees in connection with the offering of Units contemplated by this Agreement, including, without limitation, expenses of or incidental to the issue, sale or distribution of the Units and the filing of the Offering Documents and expenses of or incidental to all other matters in connection with the transaction

set out in this Agreement, including, without limitation, the fees and expenses payable in connection with the distribution of the Units, the fees and expenses of the Corporation's counsel and of local counsel to the Corporation, the fees and expenses of the auditors and the transfer agent for the Common Shares, all costs incurred in connection with the preparation and printing of the Offering Documents and certificates representing the Units, the miscellaneous fees and expenses of the Agent and the reasonable fees and disbursements of the Agent's counsel (up to a maximum of [redacted – commercially sensitive], exclusive of applicable taxes and disbursements) whether or not the Offering is completed. For any individual expenses, excluding legal fees, over \$2,500, the Agent will obtain prior approval from the Company. All fees and expenses incurred by the Agent or on its behalf shall be payable by the Corporation immediately upon receiving an invoice therefor from the Agent and shall be payable whether or not the Offering is completed. At the option of the Agent, such fees and expenses may be deducted from the gross proceeds otherwise payable to the Corporation at Closing.

19. **Advertisements.** The Corporation acknowledges that the Agent shall have the right, subject always to subsections 3(a) and 3(c) of this Agreement, at their own expense, subject to the prior consent of the Corporation, such consent not to be unreasonably withheld, to place such advertisement or advertisements relating to the sale of the Units contemplated herein as the Agent may consider desirable or appropriate and as may be permitted by applicable law. The Corporation and the Agent each agree that they will not make or publish any advertisement in any media whatsoever relating to, or otherwise publicize, the transaction provided for herein so as to result in any exemption from the prospectus and registration or other similar requirements under applicable securities legislation in any of the provinces of Canada or any other jurisdiction in which the Units shall be offered and sold being unavailable in respect of the sale of the Units to prospective purchasers.

20. **Notices.** Unless otherwise expressly provided in this Agreement, any notice or other communication to be given under this Agreement (a “**notice**”) shall be in writing addressed as follows:

(a) If to the Corporation, to:

The Green Organic Dutchman Holdings Ltd.
Suite 402, 5520 Explorer Road
Mississauga, Ontario
L4W 5L1

Attention: Matt Milich, Chief Executive Officer; Sean Bovingdon, Chief
Financial Officer
E-Mail: [redacted – personal information]

With a copy (for information purposes only and not constituting notice) to:

Aird & Berlis LLP
Brookfield Place, 181 Bay St. #1800
Toronto, Ontario M5J 2T9

Attention: Adria Leung Lim
E-Mail: aleunglim@airdberlis.com

(b) to the Agent, to:

Clarus Securities Inc.
130 King Street West, Suite 3640, P.O. Box 38
Toronto, Ontario M5X 1A9

Attention: Robert Orviss, Managing Director, Investment Banking
E-Mail: [redacted – personal information]

With a copy (for information purposes only and not constituting notice) to:

Borden Ladner Gervais LLP
Bay Adelaide Centre – East Tower
22 Adelaide Street West
Toronto, Ontario M5H 4E3

Attention: Andrew Powers
E-Mail: apowers@blg.com

and if so given, shall be deemed to have been given and received upon receipt by the addressee or a responsible officer of the addressee if delivered, or one hour after being emailed and receipt confirmed during normal business hours, as the case may be. Any party may, at any time, give notice in writing to the others in the manner provided for above of any change of address or emailed.

21. **Time of the Essence.** Time shall, in all respects, be of the essence hereof.
22. **Canadian Dollars.** All references herein to dollar amounts are to lawful money of Canada.
23. **Headings.** The headings contained herein are for convenience only and shall not affect the meaning or interpretation hereof.
24. **Singular and Plural, etc.** Where the context so requires, words importing the singular number include the plural and vice versa, and words importing gender shall include the masculine, feminine and neuter genders.
25. **Entire Agreement.** This Agreement constitutes the only agreement between the parties with respect to the subject matter hereof and shall supersede any and all prior negotiations and understandings, including, without limitation, the Letter Agreement. This Agreement may be amended or modified in any respect by written instrument only signed by each of the parties hereto.
26. **Severability.** If one or more provisions contained herein shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability

shall not affect any other provision hereof, but this Agreement shall be construed as if such invalid, illegal or unenforceable provision or provisions had never been contained herein.

27. **Governing Law.** This Agreement is governed by the law of Ontario and the laws of Canada applicable therein, and the parties hereto irrevocably attorn and submit to the jurisdiction of the courts of Ontario with respect to any dispute related to this Agreement.

28. **No Fiduciary Duty.** The Corporation hereby: (i) acknowledges and agrees that the transactions contemplated hereunder are arm's-length commercial transactions between the Corporation, on the one hand, and the Agent and any affiliate through which they may be acting, on the other; (ii) acknowledges and agrees that the Agent is acting as agent but not as fiduciary of the Corporation; (iii) acknowledges and agrees that the Corporation's engagement of the Agent in connection with the Offering and the process leading up to the Offering is as agent and not in any other capacity; (iv) acknowledges and agrees that the Agent has certain statutory obligations as a registrant under Securities Laws and has certain relationships with their clients; and (v) consents to the Agent acting hereunder while continuing to act for its clients. To the extent that the Agent's statutory obligations as registrants under Securities Laws or relationships with their clients conflicts with their obligations hereunder, the Agent shall be entitled to fulfil their statutory obligations as registrants under Securities Laws and their duties to their clients. Nothing in this Agreement shall be interpreted to prevent the Agent from fulfilling its statutory obligations as registrants under Securities Laws or acting for their clients. Furthermore, the Corporation agrees that it is solely responsible for making its own judgments in connection with the Offering (irrespective of whether the Agent has advised or is currently advising the Corporation on related or other matters). The Agent has not rendered advisory services beyond those, if any, required of an investment dealer by Securities Laws in respect of an offering of the nature contemplated by this Agreement and the Corporation agrees that it will not claim that the Agent has rendered advisory services beyond those, if any, required of an investment dealer by Securities Laws in respect of the Offering, or that the Agent owes a fiduciary or similar duty to the Corporation, in connection with such transaction or the process leading thereto.

29. **Successors and Assigns.** The terms and provisions of this Agreement shall be binding upon and enure to the benefit of the Corporation and the Agent and their respective successors and permitted assigns. This Agreement shall not be assignable by any party hereto without the prior written consent of the other party.

30. **Further Assurances.** Each of the parties hereto shall do or cause to be done all such acts and things and shall execute or cause to be executed all such documents, agreements and other instruments as may reasonably be necessary or desirable for the purpose of carrying out the provisions and intent of this Agreement.

31. **Effective Date.** This Agreement is intended to and shall take effect as of the date first set forth above, notwithstanding its actual date of execution or delivery.

32. **Counterparts.** This Agreement may be executed in counterparts and may be delivered by facsimile transmission or other means of electronic transmission, each of which will be deemed to be an original and all of which will constitute one agreement, effective as of the reference date given above.

[signature page follows]

If the Corporation is in agreement with the foregoing terms and conditions, please so indicate by executing a copy of this Agreement where indicated below and delivering the same to the Agent.

Yours very truly,

CLARUS SECURITIES INC.

Per: “Robert Orviss” (signed)
Authorized Signing Officer

The foregoing is hereby accepted on the terms and conditions therein set forth.

**THE GREEN ORGANIC DUTCHMAN
HOLDINGS LTD.**

Per: “Matt Milich” (signed)
Authorized Signing Officer

SCHEDULE “A”

LIST OF SUBSIDIARIES

| Name | Jurisdiction of Formation | Beneficially Equity/ Voting Ownership |
|--|---------------------------|---|
| 14274261 Canada Inc. | Canada | 100% |
| The Green Organic Dutchman Ltd.* | Canada | 100% |
| Medican Organic Inc.* | Québec | 100% |
| TGOD Europe B.V. | Netherlands | 100% |
| The Green Organic Dutchman Germany GmbH** | Germany | 100% (held indirectly through TGOD Europe B.V.) |
| The Green Organic Beverage Corp.*** | Delaware, USA | 100% |
| BZAM Holdings Inc.* | British Columbia | 100% |
| BZAM Management Inc.* | British Columbia | 100% (held indirectly through BZAM Holdings Inc.) |
| Folium Life Science Inc. | British Columbia | 80% (held indirectly through BZAM Holdings Inc.) |
| BZAM Cannabis Corp. | Alberta | 58% (held indirectly through BZAM Holdings Inc.) |
| 10050999 Manitoba Ltd.* | Manitoba | 100% (held indirectly through BZAM Holdings Inc.) |
| Galaxie Brands Corporation* | Ontario | 100% |

* Denotes Material Subsidiary.

** This Subsidiary is dormant and is in the process of being dissolved. This process takes a year in Germany.

*** This Subsidiary is dormant.