

**THE SHAREHOLDERS OF 10998451 CANADA INC.**

- and -

**CHEMESIS INTERNATIONAL INC.**

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**SHARE PURCHASE AGREEMENT**

January 9, 2019

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**THIS SHARE PURCHASE AGREEMENT** is made January 9, 2019

**AMONG:**

**10998354 CANADA INC.**, a corporation existing under the laws of Canada (“**10998354**”),

- and -

**ERIKA ZALEZ**, an individual resident in Bogota, Colombia (“**Zalez**”),

- and -

**RAFAEL LA TORRE**, an individual resident in Blauvelt, New York, U.S.A. (“**La Torre**”),

- and -

**MARIO FRANCISCO SANCHEZ**, an individual resident in Fusagasuga, Colombia (“**Sanchez**”),

- and -

**YENY ROCIO JIMENEZ MARTINEZ**, an individual resident in Fusagasuga, Colombia (“**Jimenez**”),

(each of 10998354, Zalez, La Torre, Sanchez and Jimenez, a “**Vendor**” and collectively, the “**Vendors**”)

- and -

**CHEMESIS INTERNATIONAL INC.**, a corporation existing under the laws of the Province of British Columbia (the “**Purchaser**”),

**RECITALS:**

- A. The Vendors, collectively, beneficially own and control all of the issued and outstanding shares of 10998451 Canada Inc. (the “**Corporation**”), a corporation existing under the laws of Canada.
- B. 10998451 is the registered and beneficial owner of all of the issued and outstanding securities of La Finca Interactiva Arachna Inc. SAS, a corporation existing under the laws of Colombia.
- C. On and subject to the terms and conditions of this Agreement, the Purchaser wishes to purchase, and the Vendors wish to sell, all of the issued and outstanding Purchased Shares (as defined herein) as listed under Column B under Schedule 3.1 to this Agreement.
- D. Immediately following Closing, the Purchaser will cause the Corporation to be amalgamated with a wholly-owned subsidiary of the Purchaser pursuant to Division 3, Part 9 of the *Business Corporations Act* (British Columbia).

**THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

## **ARTICLE 1 DEFINITIONS AND PRINCIPLES OF INTERPRETATION**

### **1.1 Definitions**

Whenever used in this Agreement, the following words and terms have the meanings set out below:

**“Accrued Liabilities”** means the operating expenses relating to the Business, incurred in the ordinary course of the business as at the given date but which are not yet due and payable as of the given date and claims against a Party or its subsidiaries that are increasing with the passage of time or receipt of goods or services but are not yet due and payable as of the Closing Time, including expenses for the receipt of goods and services, accruals for vacation pay, employee bonuses, customer rebates or similar amounts owing to customers;

**“Affiliate”** of any Person means, at the time such determination is being made, any other Person Controlling, Controlled by or under common Control with such first Person, in each case, whether directly or indirectly;

**“Agreement”** means this Share Purchase Agreement, including all schedules and exhibits, and all amendments or restatements, as permitted, and references to **“Article”**, **“Section”**, **“Schedule”** or **“Exhibit”** mean the specified Article or Section of, or Schedule or Exhibit to, this Agreement;

**“Anti-Corruption Laws”** means, collectively, with respect to any Person, anti-corruption or anti-bribery laws of all jurisdictions applicable to such Person, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any Governmental Authority to which such Person is subject, including the *Corruption of Foreign Public Officials Act* (Canada);

**“Anti-Money Laundering Laws”** means, collectively, with respect to any Person, anti-money laundering laws of all applicable jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any Governmental Authority to which such Person is subject, including the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada);

**“ASPE”** means Accounting Standards for Private Enterprises, as approved by the Canadian Institute of Chartered Accountants in the Handbook of the Canadian Institute of Chartered Accountants as they exist on the date of this Agreement;

**“Balance Sheet”** means the balance sheet of the Corporation as at December 31, 2017, forming part of the Financial Statements;

**“Books of Account”** means all accounting records and financial statements of the relevant Party and its subsidiaries;

**“Business”** means the business of the Corporation, being the ownership of all of the outstanding securities of Finca, and the business of Finca, being the cultivation of non-psychoactive cannabis plants, as authorized by the Finca License;

“**Business Day**” means any day, other than a Saturday or Sunday, on which banks in Vancouver, British Columbia are open for commercial banking business during normal banking hours;

“**Chemesis Shares**” means the common shares in the capital of the Purchaser to be issued to the Vendors as listed under Column C on Schedule 3.1, in partial satisfaction of the Purchase Price;

“**Claims**” includes claims, demands, complaints, grievances, actions, applications, suits, causes of action, Orders, charges, indictments, prosecutions, informations or other similar processes, assessments or reassessments, judgments, debts, Liabilities, penalties, fines, expenses, costs, damages or losses, contingent, inchoate or otherwise, whether disputed or undisputed, contractual, legal or equitable), and including loss or diminution of value, loss of revenue and loss of profits, professional fees, including fees and disbursements of legal counsel on a full indemnity basis, and all costs incurred in investigating or pursuing any of the foregoing or any proceeding relating to any of the foregoing;

“**Closing**” means the completion of the purchase and sale of the Purchased Shares pursuant to this Agreement;

“**Closing Date**” means January 11, 2019, or such other date as may be agreed to in writing by the parties;

“**Closing Time**” means 9:00 a.m. Vancouver time, on the Closing Date, or such other time on such date as the Parties may agree in writing as the time at which the Closing shall take place;

“**Contracts**” means contracts, licences, leases, agreements, obligations, promises, undertakings, understandings, arrangements, documents, commitments, entitlements or engagements to which a Party is a party or by which any of them are bound or under which a Party has, or will have, any liability or contingent liability (in each case, whether written or oral, express or implied), and includes any quotations, orders, proposals or tenders which remain open for acceptance and warranties and guarantees;

“**Control**” means, in respect of:

- (a) a corporation, the ability of a Person or group of Persons acting in concert to influence the manner in which the business of such corporation is carried on, whether as a result of ownership of sufficient voting shares of such corporation to enable that Person or group of Persons to elect a majority of the directors of such corporation or by contract or otherwise;
- (b) a partnership, trust, syndicate or other entity, actual power or authority to manage and direct the affairs of, or ownership of more than fifty percent (50%) of the transferable beneficial interests in, such entity, and the term “**Controlled**” has a corresponding meaning;

“**Corporation**” means 10998451 Canada Inc., a corporation existing under the laws of Canada;

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

“**Debt Assumption**” means the assumption by the Purchaser of the loans owed by 10998354 to its shareholders totalling USD\$5,500,000.00 pursuant to the Loan Amending Agreement;

“**Employees**” means individuals employed by the Corporation on a full-time, part-time or temporary basis, including those employees on disability leave, parental leave or other absence;

“**Encumbrances**” means pledges, liens, charges, security interests, leases, title retention agreements, mortgages, restrictions, developments or similar agreements, easements, rights-of-way, title defects, options or adverse claims or encumbrances of any kind or character whatsoever;

“**Environment**” means the environment and natural environment as defined in any Environmental Laws and includes indoor air and any living things;

“**Environmental Approvals**” means permits, certificates, licences, authorizations, consents, agreements, instructions, directions, notices, registrations, approvals or other rights made, issued, granted, conferred or required by a Governmental Authority pursuant to any Environmental Law relating to the operations, business or assets of a Party and its subsidiaries and includes any sewer surcharge or over strength agreements;

“**Environmental Laws**” means Laws relating to the Environment and public health or safety, and includes Laws relating to any sewer system and to the storage, generation, use, handling, manufacture, processing, labelling, advertising, sale, display, transportation, treatment, reuse, recycling, Release and disposal of Hazardous Substances;

“**Environmental Orders**” means Orders issued, filed, imposed or threatened by any Governmental Authority pursuant to any Environmental Laws and include certificates of property use and Orders requiring investigation, assessment, monitoring, managing, controlling, treatment, removal, excavation or remediation of any site or Hazardous Substance, or requiring that any Release or any other activity be reduced, modified, managed, controlled, stopped or eliminated or requiring any form of payment or co-operation be provided to any Governmental Authority;

“**Escrow Agreements**” has the meaning ascribed thereto in Section 3.4;

“**Financial Statements**” means, the internally prepared balance sheet of the Corporation for the portion of the financial year ended December 31, 2018, copies of which are attached as Schedule 5.11;

“**Finca**” means La Finca Interactiva Arachna Inc. SAS, a corporation existing under the laws of Colombia;

“**Finca License**” means the licence for the cultivation of non-psychoactive cannabis plants granted to Finca by the Ministry of Justice of Colombia through Resolution 837 dated October 19, 2017, a copy of which is attached as Schedule 1.1, which authorizes Finca to carry out certain cannabis activities as defined in the Finca Licence;

“**Governmental Authorities**” means governments, regulatory authorities, governmental departments, agencies, commissions, bureaus, officials, ministers, Crown corporations, courts, bodies, boards, tribunals or dispute settlement panels or other law, rule or regulation-making organizations or entities:

- (a) having or purporting to have jurisdiction on behalf of any nation, province, territory or state or any other geographic or political subdivision of any of them; or

- (b) exercising, or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power;

**“Governmental Authorizations”** means authorizations, approvals, including Environmental Approvals, franchises, Orders, certificates, consents, directives, notices, licences, permits, variances, agreements, instructions, registrations or other rights issued to or required by a Party and its subsidiaries, by or from any Governmental Authority;

**“Hazardous Substances”** means pollutants, contaminants, wastes of any nature, hazardous substances, hazardous materials, toxic substances, prohibited substances, dangerous substances or dangerous goods as defined, judicially interpreted or identified in any Environmental Laws including asbestos, asbestos-containing materials, polychlorinated biphenyls (PCBs) and mould;

**“Indemnified Party”** has the meaning ascribed thereto in Section 10.3;

**“Indemnifying Party”** has the meaning ascribed thereto in Section 10.3;

**“ITA”** means the *Income Tax Act* (Canada);

**“Knowledge”** has the meaning ascribed thereto in Section 1.3;

**“Laws”** means applicable laws (including common law or civil law), statutes, by-laws, rules, regulations, Orders, ordinances, protocols, codes, guidelines, treaties, policies, notices, directions, decrees, judgments, awards or requirements, in each case of any Governmental Authority;

**“Letter of Intent”** means the letter of intent dated November 5, 2018, among the Purchaser, the Corporation and the Vendors, as amended by the amendment agreement among such parties dated effective November 30, 2018;

**“Liabilities”** means all costs, expenses (including wages, vacation pay and overtime pay), charges, debts, liabilities, claims, losses, damages, adverse claims, fines, penalties, demands and obligations, assessments or reassessments of any kind or nature (including any deferred or future liability for Taxes), whether primary or secondary, direct or indirect, known or unknown, asserted or unasserted, fixed, contingent or absolute, accrued or unaccrued, matured or unmatured, determined or determinable, liquidated or unliquidated, or due or to become due, and whether in contract, tort, strict liability or otherwise, voluntarily incurred or otherwise, whenever asserted, and including all costs and expenses relating thereto including all fees, disbursements and expenses of legal counsel, experts, engineers and consultants and costs of investigation, but excluding the aggregate of Accounts Payable, and Accrued Liabilities, each valued and calculated in accordance with ASPE, applied consistently with ASPE and a Party and its subsidiaries’ past practices used in the preparation of Financial Statements;

**“Licenses”** has the meaning ascribed thereto in Section 5.2(a);

**“Loan Amending Agreement”** means the Loan Amending Agreement between the Purchaser, 10998354 and the shareholders of 10998354 whereby the Purchaser assumes the shareholder loans and amends the terms thereof, all as described therein;

**“Material Adverse Effect”** means a change, effect or circumstance that, when considered either individually or in the aggregate together with all other adverse changes, effects or circumstances with respect to which such phrase is used in this Agreement, is materially adverse to, or could

reasonably be expected to have a material adverse effect on, the financial condition or results of operations or prospects of the Business, the Corporation or the Purchaser, as applicable;

“**Material Contracts**” means Contracts to which the Corporation or Finca is a party or by which it is bound (a) involving aggregate payments to or by the Corporation or Finca in excess of \$20,000; (b) involving rights or obligations of the Corporation or Finca that may reasonably extend beyond one year and which do not terminate or cannot be terminated by the Corporation or Finca without penalty on less than two months’ notice; (c) which are outside the ordinary course of business; (d) which restrict in any way the business or activities of the Corporation or Finca; or (e) which, if terminated without the consent of the Corporation or Finca, could have an Material Adverse Effect;

“**Non-Competition and Non-Solicitation Agreements**” has the meaning ascribed thereto in Section 7.2;

“**Notice**” has the meaning ascribed thereto in Section 11.3;

“**Orders**” means orders, injunctions, judgments, administrative complaints, decrees, rulings, awards, assessments, directions, instructions, penalties or sanctions issued, filed or imposed by any Governmental Authority or arbitrator, including Environmental Orders;

“**Parties**” means each of the Vendors and the Purchaser collectively, and “**Party**” means any one of them;

“**Person**” means any individual, sole proprietorship, partnership, firm, entity, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, Governmental Authority, and where the context requires any of the foregoing when they are acting as trustee, executor, administrator or other legal representative;

“**Personal Information**” shall have the meaning of such term or like term set forth in the applicable privacy Laws, and shall include, private information about an identifiable individual but does not include business contact information provided the collection, use or disclosure, as the case may be, of the business contact information is for the purposes of contacting an individual in that individual’s capacity as an employee or an official of an organization and for no other purpose and does not personally identify that individual, unless otherwise prohibited by applicable privacy Laws;

“**Promissory Note**” means the promissory note issued by the Corporation in favour of 10998354 in the principal amount of USD\$2,100,000;

“**Purchase Price**” has the meaning ascribed thereto in Section 3.1;

“**Purchased Shares**” means the 5,100,000 Class A Common shares in the capital of the Corporation and the 4,900,000 Class B Common shares in the capital of the Corporation, as listed under Column B on Schedule 3.1, representing all of the issued and outstanding shares in the capital of the Corporation;

“**Purchaser Indemnified Parties**” has the meaning ascribed thereto in Section 10.1;

“**Related Person**” means any Vendor or, any Affiliate thereof or any current or former officer, director, shareholder or Affiliate of the Corporation;

“**Release**” has the meaning prescribed in any Environmental Laws and includes any release, spill, leak, pumping, addition, pouring, emission, emptying, discharge, injection, escape, leaching, disposal, dumping, deposit, spraying, burial, abandonment, incineration, seepage, placement or introduction, whether accidental or intentional;

“**Shareholders’ Agreement**” means the shareholders’ agreement made as of October 14, 2018 among 10998451 Canada Inc., 10998354 Canada Inc., Erika Zalez, Rafael La Torre, Mario Francisco Sanchez and Yeny Rocio Jimenez Martinez;

“**Taxes**” includes any taxes, duties, fees, premiums, assessments, imposts, levies and other charges of any kind whatsoever imposed by any Governmental Authority, including all interest, penalties, fines, additions to tax or other additional amounts imposed by any Governmental Authority in respect thereof, and including those levied on, or measured by, or referred to as, income, gross receipts, profits, capital, transfer, land transfer, sales, goods and services, harmonized sales, use, value-added, excise, stamp, withholding, business, franchising, property, development, occupancy, employer health, payroll, employment, health, social services, education and social security taxes, all surtaxes, all customs duties and import and export taxes, countervail and anti-dumping, all licence, franchise and registration fees and all employment insurance, health insurance and Canada, Québec and other government pension plan premiums or contributions;

“**Tax Returns**” includes all returns, reports, declarations, elections, notices, filings, forms, statements and other documents (whether in tangible, electronic or other form) and including any amendments, schedules, attachments, supplements, appendices and exhibits thereto, made, prepared, filed or required to be made, prepared or filed by Law in respect of Taxes;

“**Taxing Authority**” means any federal, provincial, state, local or foreign Governmental Authority having responsibility for Taxes;

“**Transferred Information**” means the Personal Information to be disclosed or conveyed to the Purchaser or any of its representatives or agents by or on behalf of the Vendors or the Corporation as a result of or in conjunction with the transactions contemplated by this Agreement, and includes all such Personal Information disclosed to the Purchaser during the period leading up to and including the completion of the transactions contemplated by this Agreement;

“**Underlying Agreement**” means the Share Subscription and Contribution Agreement dated October 24, 2018 by and among the Vendors, the Corporation and Finca, a copy of which is appended hereto at Schedule 5.40;

“**Vendors**” has the meaning ascribed thereto in the preamble to this Agreement.

## **1.2 Certain Rules of Interpretation**

In this Agreement:

- (a) **Consent** – Whenever a provision of this Agreement requires an approval or consent and such approval or consent is not delivered within the applicable time limit, then, unless otherwise specified, the Party whose consent or approval is required shall be conclusively deemed to have withheld its approval or consent.

- (b) **Currency** – Unless otherwise specified, all references to money amounts are to lawful currency of Canada. “USD” means the lawful currency of the United States of America.
- (c) **Governing Law** – This Agreement is a contract made under and shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable in the Province of British Columbia.
- (d) **Headings** – Headings of Articles and Sections are inserted for convenience of reference only and do not affect the construction or interpretation of this Agreement.
- (e) **Including** – Where the word “including” or “includes” is used in this Agreement, it means “including (or includes) without limitation”.
- (f) **No Strict Construction** – The language used in this Agreement is the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against any Party.
- (g) **Number and Gender** – Unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders.
- (h) **Severability** – If, in any jurisdiction, any provision of this Agreement or its application to any Party or circumstance is restricted, prohibited or unenforceable, such provision shall, as to such jurisdiction, be ineffective only to the extent of such restriction, prohibition or unenforceability without invalidating the remaining provisions of this Agreement and without affecting the validity or enforceability of such provision in any other jurisdiction or without affecting its application to other Parties or circumstances.
- (i) **Statutory references** – A reference to a statute includes all regulations and rules made pursuant to such statute and, unless otherwise specified, the provisions of any statute, regulation or rule which amends, supplements or supersedes any such statute, regulation or rule.
- (j) **Time** – Time is of the essence in the performance of the Parties’ respective obligations.
- (k) **Time Periods** – Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day following if the last day of the period is not a Business Day.

### 1.3 Knowledge

Any reference to the knowledge means, in the case of the knowledge of the Purchaser, to the best of the knowledge, information and belief of the Purchaser after reviewing all relevant records and making due inquiries regarding the relevant matter of all relevant directors, officers and employees of the Purchaser and, in the case of the knowledge of the Vendors, the knowledge of each of the Vendors and the relevant senior manager or managers of the Corporation after due enquiry, together with such knowledge that such Persons could reasonably be expected to discover after such due enquiry.



## 1.4 Entire Agreement

This Agreement and the agreements and other documents required to be delivered pursuant to this Agreement, constitute the entire agreement between the Parties and set out all the covenants, promises, warranties, representations, conditions and agreements between the Parties in connection with the subject matter of this Agreement and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, pre-contractual or otherwise, including the Letter of Intent. There are no covenants, promises, warranties, representations, conditions, understandings or other agreements, whether oral or written, pre-contractual or otherwise, express, implied or collateral between the Parties in connection with the subject matter of this Agreement except as specifically set forth in this Agreement and any document required to be delivered pursuant to this Agreement.

## 1.5 Schedules

The schedules to this Agreement, listed below, are an integral part of this Agreement:

<u>Schedule</u>	<u>Description</u>
Schedule 1.1	Finca License
Schedule 3.1	– Consideration for Purchased Shares
Schedule 5.5	– Officers and Directors
Schedule 5.11	– Financial Statements and Systems
Schedule 5.32	– Litigation
Schedule 5.33	– Tax Matters
Schedule 5.40	– Bank Accounts
Schedule <b>Error!</b>	- Underlying Agreement
<b>Reference source not found.</b>	
Schedule 5.43	- Finder's Fees

## ARTICLE 2 PURCHASE AND SALE

### 2.1 Purchase and Sale

On and subject to the terms and conditions of this Agreement, at the Closing Time, the Vendors shall sell, and the Purchaser shall purchase, legal and beneficial ownership of the Purchased Shares and the Promissory Note, free and clear of all Encumbrances, and with all rights and benefits attaching thereto. The Purchased Shares being sold by each of the Vendors is specified beside such Vendor's name under Column B in Schedule 3.1.

### 2.2 Place of Closing

The Closing shall take place at the Closing Time by way of an electronic closing in which the closing documentation will be delivered by electronic mail with exchange of signature pages in pdf or functionally equivalent electronic format, except for the delivery of original share certificates and applicable signed blank stock transfer powers on Closing.

### ARTICLE 3 PURCHASE PRICE

#### 3.1 Purchase Price

The aggregate amount payable by the Purchaser for the Purchased Shares and the Promissory Note (the “**Purchase Price**”), exclusive of all applicable sales and transfer Taxes, shall be the aggregate of:

- (a) the Debt Assumption; and
- (b) the Chemesis Shares.

The portion of the Purchase Price payable to each of the Vendors is set forth on Schedule 3.1.

#### 3.2 Satisfaction of Purchase Price

At the Closing Time, subject to Section 3.4 the Purchaser will:

- (a) Enter into the Loan Amending Agreement; and
- (b) issue to the Vendors the Chemesis Shares, in each case in such amounts as set forth opposite such Vendor’s name in Schedule 3.1, as consideration for the Purchased Shares.

#### 3.3 Section 85 Elections

It is intended that the transfer of the Purchased Shares to the Purchaser be, to the maximum extent possible, on a tax-deferred basis to each of the Vendors, as applicable, for purposes of the ITA and applicable provincial income tax statutes.

In order to give effect to this intention, at each Vendor’s discretion, such Vendor, on the one hand, and the Purchaser, on the other hand, shall jointly execute elections under subsection 85(1) of the ITA (and any applicable provincial legislation) in respect of the transfer of the Purchased Shares from the Vendor to the Purchaser, and the Purchaser agrees to execute, within the prescribed time limits or at any other moment determined at the sole discretion of the Vendor, the prescribed election forms and any other documents required to give effect to the foregoing, upon such election forms or documents being completed by the Vendor and provided by the Vendor to the Purchaser. The Vendors and the Purchaser agree that the elected amount in such elections shall be determined by the applicable Vendor, subject to the parameters set forth in the ITA and any other applicable laws. The Purchaser will not be responsible for any Taxes, interest or penalties or any other costs or damages resulting from the failure by any Vendor to properly and accurately complete or file the necessary election forms in the form and manner and within the time prescribed by the ITA (or any applicable provincial legislation).

#### 3.4 Escrow Shares

Each Vendor shall, upon and as a condition to, Closing, enter into an escrow agreement with the Purchaser, in form and substance acceptable to the Purchaser in its sole and unfettered discretion, pursuant to which such Vendor’s Chemesis Shares shall be subject to certain hold periods as described therein (collectively, the “**Escrow Agreements**”).

**ARTICLE 4**  
**REPRESENTATIONS AND WARRANTIES ABOUT THE VENDORS**

Each of the Vendors severally and not jointly, represents and warrants to the Purchaser each of the matters set out below, effective as at the Closing Date, and acknowledges and confirms that the Purchaser is relying upon the accuracy of such representations and warranties in connection with its purchase of the Purchased Shares.

**4.1 Status of the Vendors and Right to Sell**

- (a) Such Vendor is the sole registered and beneficial owner of the Purchased Shares specified as being owned by such Vendor on Schedule 3.1, free and clear of all Encumbrances. Such Vendor is not party to any voting trust or other agreement with respect to the voting, redemption, sale, pledge, transfer or other disposition of the Purchased Shares specified as being owned by such Vendor in Schedule 3.1. Such Vendor has the exclusive right to dispose of its respective Purchased Shares as provided in this Agreement and such disposition will not violate, contravene, breach or offend against or result in any default under any Contract to which the Corporation or Finca is a party to, charter or by-law provision, Order, judgment, decree, licence, permit or Law, to which the Vendor is a party or subject or by which such Vendor is bound or affected. The Purchased Shares are not subject to the terms of any shareholders agreement.
- (b) No Person, other than the Purchaser, has any agreement, option, understanding, or commitment, or any right or privilege (whether by law, pre-emptive right, or contractual provision) capable of becoming an agreement, option, or commitment, for the purchase or other acquisition of any of the Purchased Shares from such Vendor.

**4.2 Due Authorization and Enforceability of Obligations**

Such Vendor has the individual legal capacity under the laws of the Province of British Columbia, the federal laws of Canada, or the laws of Colombia, as applicable, to enter into this Agreement and the other agreements contemplated herein, and to carry out his/her obligations hereunder and thereunder. This Agreement and the other agreements to be entered into by such Vendor pursuant hereto constitute legal, valid and binding obligations of such Vendor, enforceable against such Vendor in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency and other Laws affecting the rights of creditors generally and except that equitable remedies may be granted only in the discretion of a court of competent jurisdiction.

**4.3 Absence of Conflicts**

Such Vendor is not a party to, bound or affected by or subject to any (a) Contract, (b) charter or by-law, or (c) Laws or Governmental Authorizations, that would be violated, breached by, or under which default would occur or an Encumbrance would be created, with or without notice or the passage of time, as a result of the execution and delivery of, or the performance of obligations under, this Agreement or any other agreement to be entered into under the terms of this Agreement.

**4.4 Reserved.**

**4.5 Contractual and Regulatory Approvals**

No approval, Order, permit, license, certification, authorization, consent of, notice to, or filing with any Governmental Authority or other Person is required on the part of such Vendor in connection with the execution, delivery and performance of this Agreement or any other documents and agreements to be delivered under this Agreement or the performance of the obligations of the Vendors under this Agreement or any other documents and agreements to be delivered under this Agreement.

**ARTICLE 5  
REPRESENTATIONS AND WARRANTIES ABOUT THE CORPORATION AND FINCA**

Each of the Vendors jointly and severally, represents and warrants to the Purchaser each of the matters set out below, effective as at the Closing Date, and acknowledges and confirms that the Purchaser is relying upon the accuracy of such representations and warranties in connection with the purchase of the Purchased Shares.

**5.1 Incorporation and Corporate Power**

The Corporation is a corporation duly incorporated and validly existing under the laws of the Canada. The Corporation has all necessary corporate power, authority and capacity to own, lease and operate its assets and to carry on its business as presently conducted. All necessary corporate action on the part of the Corporation has been taken to permit the transfer of the Purchase Shares pursuant to this Agreement.

**5.2 Registration and Licenses**

- (a) Each of the Corporation and Finca holds all licenses, permits, registrations and qualifications (collectively, the “**Licenses**”) in each jurisdiction in which the nature or conduct of the business of each of the Corporation and Finca or any part thereof or the nature of the assets or properties of the Corporation and Finca makes such qualification necessary or desirable to enable the business to be carried on as now conducted or to enable the assets or properties of the Corporation and Finca to be owned, leased, and operated, including the Finca License.
- (b) All of the Licenses are valid and subsisting, and each of the Corporation and Finca operates and has operated the business in material compliance with all terms and conditions of the Licenses, and there are no proceedings in progress, pending, or to the knowledge of the Vendors, threatened, that could result in the revocation, cancellation or suspension of any License.

**5.3 Finca License**

The Finca License is valid and subsisting and Finca operates and has operated in compliance with all terms and conditions of the Finca License, and there are no proceedings in progress, pending, or to the knowledge of the Vendors, threatened, that could result in the revocation, cancellation or suspension of the Finca License.

#### **5.4 Reserved**

#### **5.5 Officers and Directors**

Schedule 5.5 sets out a complete and accurate list of all officers and directors of each of the Corporation and Finca on the date of this Agreement.

#### **5.6 Capitalization; Share Ownership**

- (a) The authorized capital of the Corporation consists of an unlimited number of Preferred A Shares, Preferred B Shares, Preferred C Shares, Preferred D Shares, Preferred E Shares, Preferred F Shares, Preferred G Shares, Preferred H Shares, Class A Common Shares, Class B Common Shares, Class C Common Shares, Class D Common Shares and Class E Common Shares. The Purchased Shares collectively represent, as at the Closing Date, all the issued and outstanding shares in the capital of the Corporation, and have been duly and validly issued in compliance with (i) all applicable Laws, (ii) the articles, by-laws and other constating of the Corporation, and (iii) any agreement to which the Corporation is a party or by which it is bound, and are outstanding as fully paid and non-assessable shares in the capital of the Corporation. No options, warrants or other rights to purchase shares or other securities of the Corporation and no securities or obligations convertible into or exchangeable for shares or other securities of the Corporation have been authorized or agreed to be issued or are outstanding.
- (b) The Corporation owns all of the issued and outstanding securities of Finca.
- (c) Except for the Corporation's ownership of Finca, neither the Corporation nor Finca has any subsidiaries or owns or has any interest in, directly or indirectly, any shares or other ownership interest in any other Person, and neither the Corporation nor Finca is a party to any agreement of any nature to acquire any such shares or other ownership interest or to acquire or lease any other business operations.

#### **5.7 Business**

The Business is the only business carried on by the Corporation and Finca.

#### **5.8 Shareholders' Agreements, etc.**

Other than the Shareholders' Agreement, which the Vendors hereby confirm, acknowledge and agree will be fully terminated and of no further force or effect as of the time immediately prior to Closing, there are no investor rights agreements, shareholder agreements, pooling agreements, voting trusts or other similar agreements with respect to the ownership or voting of any of the shares in the capital of the Corporation, and no Person, other than the Purchaser pursuant to the terms of this Agreement, has the right, directly or indirectly, to acquire shares in the capital of the Corporation.

#### **5.9 Absence of Conflicts**

- (a) The execution, delivery and performance of this Agreement and each of the other agreements contemplated by or referred to herein, and the completion of the transactions contemplated hereby and thereby, will not, with or without notice or the passage of time, constitute or result in a violation, breach or default of, create an Encumbrance under, require notice to be given to any Governmental Authority pursuant to, or cause the

acceleration of any obligations of the Corporation or decrease of any rights or entitlements of the Corporation, under:

- (i) any term or provision of the articles, bylaws or other constating documents of the Corporation;
  - (ii) the terms of any Contract (written or oral), instrument or understanding or other obligation or restriction applicable to or binding upon the Corporation, or to which the Corporation is a party, which would, or could reasonably be expected to, result in an Material Adverse Effect; or
  - (iii) any term or provision of any term or provision of any Governmental Authorization or any Laws of any jurisdiction in which the business of the Corporation is carried on.
- (b) The transactions contemplated by this Agreement, including the sale and transfer of the Purchased Shares, are not subject to any right of first refusal or other right in favour of any Person under any Contract to which the Corporation or Finca is a party.

#### **5.10 Reserved**

#### **5.11 Financial Statements and Systems**

The Financial Statements present fairly, all of the assets, liabilities and financial position of the Corporation for the financial year ended December 31, 2018.

#### **5.12 Liabilities**

- (a) As of the Closing Date, the Corporation does not have any outstanding Liabilities, other than Promissory Note.
- (b) The Corporation has not given or agreed to give, nor is it a party to or bound by, any guarantee, surety or indemnity in respect of indebtedness, or other obligations, of any Person, or any other commitment by which either the Corporation is, or is contingently, responsible for such indebtedness or other obligations.

#### **5.13 Absence of Certain Changes or Events**

Since November 5, 2018, neither the Corporation nor Finca has:

- (a) incurred any obligation or Liability (fixed or contingent), except normal trade or business obligations incurred in the ordinary course of business, none of which is materially adverse to the Business;
- (b) created any Encumbrance upon any of its properties or assets related to the Business;
- (c) had any Employee terminate his or her employment or communicate his or her intention to do so;
- (d) sold, assigned, transferred, leased or otherwise disposed of any assets other than in the ordinary course of business;

- (e) purchased, leased or otherwise acquired any properties or assets other than in the ordinary course of business;
- (f) waived, cancelled or written off any rights, claims or any amounts payable to the Corporation or Finca relating to the Business other than in the ordinary course of business;
- (g) declared or paid any dividend or made any other distribution in respect of any of its shares of any class, or reduced its authorized capital or issued capital;
- (h) entered into any transaction, contract, agreement or commitment other than in the ordinary course of business;
- (i) terminated, discontinued, closed or disposed of any office, facility, operation or contract relating to the Business;
- (j) had any material customer of the Business terminate, or, to the knowledge of the Vendors, communicate the intention or threat to terminate, its relationship with the Business, or the intention to substantially reduce the quantity of products or services it purchases from the Business, or its dissatisfaction with the products or services supplied by the Business;
- (k) had any material supplier of the Business terminate, or, to the knowledge of the Vendors, communicate the intention or threat to terminate, its relationship with the Corporation or Finca, or the intention to substantially reduce the quantity of products or services it sells to the Business;
- (l) made any material change with respect to any method of management, operation or accounting in respect of the Business;
- (m) changed or modified the terms and conditions of employment of any Employees including increasing any form of compensation or other benefits payable or to become payable to any of the Employees, other than changes in the ordinary course of business;
- (n) changed any remuneration payable or benefits provided to any officer, director, consultant or agent of the Business;
- (o) suffered any extraordinary losses;
- (p) incurred or suffered any Material Adverse Effect, or become aware of, any event or condition that would, or could reasonably be expected to, result in a Material Adverse Effect; or
- (q) authorized, agreed or otherwise become committed to do any of the foregoing.

**5.14 Reserved**

**5.15 Reserved**

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**5.22 Reserved**

**5.23 Reserved**

**5.24 Partnerships or Joint Ventures**

Neither the Corporation nor Finca is a partner or participant in any partnership, joint venture, profit-sharing arrangement or other association of any kind and is not a party to any agreement under which the Corporation or Finca agrees to carry on any part of the Business in such manner or by which the Corporation or Finca agrees to share any revenue or profit of the Business with any other Person.

**5.25 Reserved**

**5.26 Reserved**

**5.27 Reserved**

**5.28 Reserved**

**5.29 Reserved**

**5.30 Reserved**

**5.31 Reserved**

**5.32 Litigation**

- (a) There are no Claims, investigations or other proceedings, including appeals and applications for review, in progress, or, to the knowledge of the Vendors, pending or threatened against or relating to the Corporation or Finca before any Governmental Authority, which, if determined adversely to the Corporation or Finca, would, (i) have a Material Adverse Effect; (ii) enjoin, restrict or prohibit the transfer of all or any part of the Purchased Shares as contemplated by this Agreement; (iii) delay, restrict or prevent any of the Vendors or the Corporation from fulfilling any of its obligations set out in this Agreement or arising from this Agreement; or (iv) the right of the Corporation or Finca to conduct its operations and carry on the Business in the ordinary course consistent with



past practice, and none of the Vendors has any knowledge of any existing ground on which any such action, suit, litigation or proceeding might be commenced with any reasonable likelihood of success.

- (b) There is no judgment, decree, injunction, rule or Order of any Governmental Authority or arbitrator outstanding against the Corporation or Finca. Neither the Corporation nor Finca has undergone in the last five years nor is currently undergoing, any audit, review, inspection, investigation, survey or examination of records by a Governmental Authority relating to the Business.

### **5.33 Tax Matters**

Except as specifically disclosed in Schedule 5.33,

- (a) The Corporation has duly and timely made or prepared all Tax Returns required to be made or prepared by it, has duly and timely filed all Tax Returns required to be filed by it with the appropriate Governmental Authority and has duly, completely and correctly, in all material respects, reported all income and all other amounts and information required to be reported thereon, and all such Tax Returns are true, correct and complete in all material respects.
- (b) The Corporation has duly and timely paid all Taxes, including all instalments on account of Taxes for the current year, that are due and payable by it whether or not assessed by the appropriate Governmental Authority or shown on any Tax Return. Provision has been made on Balance Sheet for amounts at least equal to the amount of all Taxes owing by the Corporation that were not yet due and payable by the date of the Balance Sheet and that relate to periods ending on or prior to the date of the Balance Sheet. Provision will be made on Financial Statements for amounts at least equal to the amount of all Taxes owing by the Corporation that will not be due and payable by the Closing Date and that relate to periods ending on or prior to the Closing Date.
- (c) The Corporation has not requested, offered to enter into or entered into any agreement or other arrangement, or executed any waiver, providing for any extension of time within which (i) to file any Tax Return covering any Taxes for which the Corporation is or may be liable; (ii) to file any elections, designations or similar filings relating to Taxes for which the Corporation is or may be liable; (iii) the Corporation is required to pay or remit any Taxes or amounts on account of Taxes; or (iv) any Governmental Authority may assess or collect Taxes for which the Corporation is or may be liable.
- (d) The Corporation has not made, prepared and/or filed any elections, designations or similar filings relating to Taxes or entered into any agreement or other arrangement in respect of Taxes or Tax Returns that has effect for any period ending after the Closing Date.
- (e) All income, sales (including goods and services, harmonized sales and provincial or territorial sales) and capital tax liabilities of the Corporation have been assessed by the relevant Governmental Authorities and notices of assessment have been issued to each such entity by the relevant Governmental Authorities for all taxation years or periods ending prior to and including the taxation year or period ended December 31, 2017.

- (f) There are no proceedings, investigations, audits or Claims now pending or, to the knowledge of the Vendors, threatened against the Corporation in respect of any Taxes and, to the knowledge of the Vendors, there are no matters under discussion, audit or appeal with any Governmental Authority relating to Taxes.
- (g) The Corporation has duly and timely withheld all Taxes and other amounts required by Law to be withheld by it (including Taxes and other amounts required to be withheld by it in respect of any amount paid or credited or deemed to be paid or credited by it to or for the account or benefit of any Person, including any Employee, officer or director and any non-resident Person), and has duly and timely remitted to the appropriate Governmental Authority such Taxes and other amounts required by Law to be remitted by it.
- (h) The Corporation has duly and timely collected all amounts on account of any sales or transfer taxes, including goods and services, harmonized sales and provincial or territorial sales taxes, required by Law to be collected by it and has duly and timely remitted to the appropriate Governmental Authority any such amounts required by Law to be remitted by it. All input tax credits claimed by the Corporation for purposes of the goods and services tax and harmonized sales tax were calculated in accordance with applicable Law. The Corporation has complied with all registration, reporting, payment, collection and remittance requirements in respect of the goods and services tax and harmonized sales tax (and, where applicable, any similar provincial or foreign Tax).
- (i) None of sections 15, 78, 80, 80.01, 80.02, 80.03 or 80.04 of the ITA, or any equivalent provision of the Tax legislation of any province or any other jurisdiction, have applied or will apply to the Corporation at any time up to and including the Closing Date, and there are no circumstances existing which could result in the application of such provisions to the Corporation.
- (j) The Corporation is not subject to liability for Taxes of any other person. The Corporation has not acquired property from a non-arm's length Person, within the meaning of the ITA, for consideration, the value of which is less than the fair market value of the property acquired in circumstances which could subject it to a liability under section 160 of the ITA. The Corporation has not entered into any agreement with, or provided any undertaking or indemnity to, any person pursuant to which it has assumed liability for the payment of Taxes owing by such person.
- (k) The Corporation has not claimed any reserve or deduction for Tax purposes if, as a result of such claim, any amount could be included in its income for any period ending after the Closing Time.
- (l) All Tax credits and refunds, including refundable and non-refundable investment Tax credits in respect of scientific research and experimental development claimed by the Corporation were claimed and calculated in accordance with applicable Law and accepted practices of the applicable Governmental Authority.
- (m) The Corporation has never made an "excessive eligible dividend designation" as defined in the ITA (or any similar provision of state, local or foreign Law).

With respect to the declaration and payment of all dividends on or prior to the Closing Date that were designated to be capital dividends (as provided pursuant to subsection 83(2) of the ITA), then (i) all such dividends so designated were recorded on Form T2054

(as prescribed under the regulations to the ITA) and which Form T2054 was filed with the Canada Revenue Agency (and any applicable provincial Governmental Authority) in the prescribed manner on or before the particular time on which any part of the dividend was paid; and (ii) as a consequence of the declaration of such capital dividends and the filing of the Form T2054, the Corporation is not subject to any Tax pursuant to the provisions of Part III of the ITA (or the applicable provisions of a provincial Tax statute).

**5.34 Reserved**

**5.35 Reserved**

**5.36 Reserved**

**5.37 Reserved**

**5.38 Reserved**

**5.39 Reserved**

**5.40 Bank Accounts**

Schedule 5.39 sets forth a true, correct and complete list of all of the bank accounts of each of the Corporation and Finca, including account details and branch locations.

**5.41 Reserved**

**5.42 Reserved**

**5.43 Broker and Finder's Fees**

Except as set forth on Schedule 5.43, the Vendors do not owe nor are they aware of any claim for any broker, agency, finder's fee or commission in connection with the transactions contemplated by this Agreement payable by the Vendors.

**5.44 Compliance with Anti-Corruption Laws**

Neither the Corporation, *Finca* nor any director, officer, employee agent or other Person acting on behalf of the Corporation or Finca has, in relation **to the Business**:

- (a) **used** any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity;
- (b) made any direct or indirect unlawful payment to any foreign or domestic Governmental Authorities from corporate funds;
- (c) violated or is in violation of any provision of Anti-Corruption Laws applicable to the Corporation or Finca;
- (d) made any unlawful bribe, rebate, payoff, influence payment, kickback or other unlawful payment in violation of any Anti-Corruption Laws; or

- (e) employed any government or political official of any country to act on behalf of the Corporation or Finca.

No action, suit or proceeding by or before any Governmental Authority or any arbitrator involving the Corporation or Finca with respect to Anti-Corruption Laws is pending or, to the knowledge of the Vendors, threatened.

#### **5.45 Compliance with Anti-Money Laundering Laws**

The Business has been conducted in compliance with Anti-Money Laundering Laws applicable to the Corporation or Finca and no action, suit, or proceeding by or before any Governmental Authority or any arbitrator involving the Corporation or Finca with respect to Anti-Money Laundering Laws is pending or, to the knowledge of the Vendors, threatened.

#### **5.46 Reserved**

#### **5.47 Underlying Agreement**

Zalez, La Torre, Sanchez and Jimenez confirm that all of the representations and warranties contained in Article 4 of the Underlying Agreement remain true and correct in all respects; 10998354 confirms that, to the best of the actual knowledge of its officers and directors, all of the representations and warranties contained in Article 4 of the Underlying Agreement remain true and correct in all respects.

#### **5.48 Non-Reporting Issuer**

The Corporation is not a “reporting issuer” within the meaning of the *Securities Act* (British Columbia).

#### **5.49 Material Facts Disclosed**

None of the representations and warranties in Article 4 or this Article 5 and no document furnished by or on behalf of the Corporation or Finca to the Purchaser in connection with the negotiation of the transaction contemplated by this Agreement contains any untrue statement of a material fact or omits to state any material fact necessary to make any such statement or representation not misleading. To the knowledge of the Vendors, there are no facts not disclosed in this Agreement which, if learned by the Purchaser, might reasonably be expected to materially diminish the Purchaser’s evaluation of the value of the Purchased Shares, the Corporation or Finca or which, if learned by the Purchaser, might reasonably be expected to deter the Purchaser from completing the purchase of the Purchased Shares on the terms of this Agreement.

### **ARTICLE 6 REPRESENTATIONS AND WARRANTIES OF PURCHASER**

The Purchaser represents and warrants to the Vendors each of the matters set out below, effective as at the Closing Date, and acknowledges and confirms that the Vendors are relying upon the accuracy of such representations and warranties in connection with the sale of the Purchased Shares.

## **6.1 Status of Purchaser**

The Purchaser is a corporation duly incorporated and validly existing under the laws of its jurisdiction of incorporation and has all necessary corporate power, authority and capacity to own its respective assets and to carry on its respective businesses as presently conducted.

## **6.2 Chemesis Shares**

The Chemesis Shares to be issued to the Vendors will, when issued in accordance with the terms of this Agreement, be duly authorized and validly issued as fully paid and non-assessable shares in the capital of the Purchaser.

## **6.3 Capitalization; Share Ownership**

The authorized capital of the Purchaser consists of an unlimited number of common shares, of which 67,721,306 common shares are currently issued and outstanding. All of the outstanding shares in the capital of the Purchaser have been duly and validly issued and are outstanding as fully paid and non-assessable shares. The common shares in the capital of the Corporation are listed for trading on the CSE.

## **6.4 Due Authorization and Enforceability of Obligations**

The Purchaser has all necessary corporate power, authority and capacity to enter into this Agreement and the other agreements contemplated herein and to carry out its obligations hereunder and thereunder, inclusive of issuing the Chemesis Shares. The execution and delivery of this Agreement, and the other agreements to be entered into by the Purchaser pursuant hereto, and the consummation of the transactions contemplated by this Agreement have been duly authorized by all necessary corporate action of the Purchaser. This Agreement and the other agreements to be entered into by the Purchaser pursuant hereto constitute legal, valid and binding obligations of the Purchaser enforceable against it in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency and other Laws affecting the rights of creditors generally and except that equitable remedies may be granted only in the discretion of a court of competent jurisdiction.

## **6.5 Reporting Status and Securities Laws Matters**

The Purchaser is a “reporting issuer” or the equivalent and not on the list of reporting issuers in default under applicable securities laws in each of the Provinces of British Columbia, Alberta and Ontario. The Purchaser is in compliance, in all material respects, with all applicable securities laws and there are no current, pending or, to the knowledge of the Purchaser, threatened proceedings before any Governmental Authority relating to any alleged non-compliance with any securities laws. The Chemesis Shares are listed on, and the Purchaser is in compliance in all material respects with the rules and policies of, the CSE. No delisting, suspension of trading in or cease trading order with respect to any securities of the Purchaser and to the knowledge of the Purchaser no inquiry or investigation (formal or informal) of any Governmental Authority or the CSE is in effect or ongoing or, to the knowledge of the Purchaser, expected to be implemented or undertaken. The Purchaser has received all required consents and approvals from the CSE and any Canadian Governmental Authorities for the issuance of the Chemesis Shares.

## **6.6 Bankruptcy**

There is no bankruptcy, liquidation, winding-up or similar proceeding pending or in progress or, to the knowledge of the Purchaser, threatened against the Purchaser before any Governmental Authority.

## **ARTICLE 7 COVENANTS**

### **7.1 Reserved**

### **7.2 Non-Competition Agreements**

At the Closing Time, each of the Vendors specified by the Purchaser will enter into a non-competition and non-solicitation agreement (the “**Non-Competition and Non-Solicitation Agreements**”) in favour of the Purchaser and the Corporation, which agreement will have a term of five years from the Closing Date and otherwise be on and subject to terms and conditions satisfactory to the Purchaser, acting reasonably.

### **7.3 Financial Statements**

The Vendors shall co-operate with the Purchaser with respect to any post-Closing audit of financial statements of the Corporation or Finca that may be required by regulatory authorities or Governmental Authorities in the future, provided that any such audits shall be at the expense of the Purchaser (to the extent not already completed).

### **7.4 Tax Matters**

The Vendors shall be responsible for preparing and filing, on or before the statutory due date, on behalf of and in the name of the Corporation and Finca, all Tax Returns of the Corporation and Finca required by Law to be filed for any taxation year of the Corporation and Finca ending on or before the Closing Date that are not required to be filed on or before the Closing Date, and:

- (a) the cost of preparing all such Tax Returns shall be for the account of the Vendors;
- (b) the Vendors shall be responsible for the payment of all Taxes due in respect of any such Tax Returns;
- (c) all such Tax Returns shall be consistent in all material respects with prior Tax Returns filed by the Corporation or Finca and its predecessors for prior taxation years, except to the extent otherwise required by applicable Law; and
- (d) at least fifteen days prior to filing any such Tax Returns, the Vendors shall supply draft copies of the documents to the Purchaser for input and comment and request that the Purchaser provide its consent to the filing of such Tax Returns, such consent not to be unreasonably withheld, and the Vendors shall include in the Tax Returns all reasonable comments provided by the Purchaser.

## **ARTICLE 8 CLOSING**

### **8.1 Reserved**

### **8.2 Reserved**

### **8.3 Documents to be Delivered**

At the Closing Time:

- (a) the Vendors shall transfer and deliver to the Purchaser share certificates representing their respective Purchased Shares duly endorsed in blank for transfer, or accompanied by irrevocable security transfer powers of attorney duly executed in blank, in either case by the holders of record, and shall take such steps as shall be necessary to cause the Corporation to enter the Purchaser or its nominee(s) upon the books of the Corporation as the holder of the Purchased Shares and to issue share certificates to the Purchaser or its nominee(s) representing the Purchased Shares;
- (b) where applicable, the Vendors shall execute and deliver, or, in the case of documents to be executed and delivered by the Corporation, the Vendors shall cause to be executed and delivered, to the Purchaser the following documents:
  - (i) a certificate of status, compliance, good standing or like certificate with respect to the Corporation and Finca issued by the appropriate Governmental Authority;
  - (ii) a termination agreement in respect of the Shareholders Agreement;
  - (iii) an assignment of the Promissory Note;
  - (iv) the Loan Amending Agreement;
  - (v) the Non-Competition and Non-Solicitation Agreements;
  - (vi) the Escrow Agreements contemplated by Section 3.4;
  - (vii) certified copies of all corporate authorizing resolutions of the Corporation that are required to permit the due and valid transfer of the Purchased Shares to and in the name of the Purchaser and the completion of the transactions contemplated by this Agreement;
  - (viii) Reserved.
  - (ix) a duly executed receipt from each of the Vendors for the Chemesis Shares;
  - (x) a resignation of each of the directors of the Corporation;
  - (xi) the resignations, effective as of the Closing Date, of each of Swarandeeep Singh Braras employees and/or officers of the Corporation;
  - (xii) a release of the Vendors in favour of the Corporation; and

- (xiii) all such other documents, instruments and things which are to be delivered by the Vendors and the Corporation pursuant to the provisions of this Agreement or that may be necessary to complete the transactions provided for in this Agreement.
- (c) The Purchaser shall execute and deliver, or cause to be executed, and shall deliver, or cause to be delivered, to the Vendors the following documents to which they are a party:
  - (i) a certificate of status, compliance, good standing or like certificate with respect to the Purchaser issued by the appropriate Governmental Authority;
  - (ii) the Loan Amending Agreement ;
  - (iii) the Chemesis Shares;
  - (iv) payment of finder's fee as set out at Schedule 5.43; and
  - (v) certified copies of all corporate authorizing resolutions of the Purchaser that are required to permit the purchase of the Purchased Shares, the issuance of the Chemesis Shares, and the completion of the transaction contemplated by this Agreement.

## **ARTICLE 9 NON-WAIVER; SURVIVAL**

### **9.1 Non-Waiver**

No waiver of any condition or other provisions, in whole or in part, shall constitute a waiver of any other condition or provision (whether or not similar) nor shall such waiver constitute a continuing waiver unless otherwise expressly provided.

### **9.2 Nature and Survival**

All representations, warranties and covenants contained in this Agreement on the part of each of the Parties shall survive: (a) the Closing; (b) the execution and delivery under this Agreement of any share or security transfer instruments or other documents of title to any of the Purchased Shares; (c) the execution and delivery under this Agreement of any share or security transfer instruments or other documents of title to any of the Chemesis Shares; and (d) the payment of the consideration for the Purchased Shares. All representations and warranties contained in this Agreement on the part of each of the Parties shall survive, in each case, for the same period of time during which an obligation to indemnify exists pursuant to Section 10.1(b) or 10.2(b), as applicable.

## **ARTICLE 10 INDEMNIFICATION**

### **10.1 Indemnification by the Vendors**

- (a) The Vendors shall on a joint and several basis, indemnify and save harmless the Purchaser, and its directors, officers, agents, employees and shareholders (collectively referred to as the "**Purchaser Indemnified Parties**"), on an after-Tax basis, from and against all Claims, whether or not arising due to third party Claims, which may be made



or brought against Purchaser Indemnified Parties, or which they may suffer or incur, directly or indirectly, as a result of or in connection with or relating to:

- (i) any non-fulfilment or breach of any covenant or agreement on the part of the Vendors contained in this Agreement or in any certificate or other document furnished by or on behalf of the Vendors pursuant to this Agreement;
  - (ii) any misrepresentation or any incorrectness in or breach of any representation or warranty of the Vendors contained in Article 5 this Agreement or in any certificate or other document furnished by or on behalf of the Vendors pursuant to this Agreement (other than the representations and warranties contained in Article 4 for which any liability on the part of the Vendors to the Purchaser shall be several and not joint);
  - (iii) any liability for Taxes of the Corporation in respect of any taxation year or other period ended prior to the Closing Date, or any portion of a taxation year or other period up to and including the Closing Date, for which no adequate reserve has been provided and disclosed in the Balance Sheet or Financial Statements; and
  - (iv) any liability of the Corporation with respect to any costs or expenses in respect of any litigation relating to the Business prior to Closing to the extent such costs or expenses are not covered by insurance.
- (b) Subject to the limitations and other provisions of this Agreement;
- (i) Section 10.1(a)(i) shall survive the Closing indefinitely or for the period explicitly specified herein or in any certificate or other document furnished by or on behalf of the Vendors pursuant hereto, for the performance or fulfilment of the relevant covenant or agreement;
  - (ii) the representations and warranties of the Vendors contained herein shall survive the Closing and shall remain in full force and effect until the date that is 24 months following the Closing Date; provided that the representations and warranties in Section 5.33 in respect of any Taxes arising in or in respect of a period shall survive the Closing and continue in full force and effect until the date that is 90 days after the relevant Governmental Authority is no longer entitled to assess or reassess liability for Taxes against the Corporation for that period, having regard, without limitation, to any waivers given by the Corporation in respect of such period, and the representations and warranties in Sections **Error! Reference source not found.** and 5.28 shall survive for the full period of all applicable statutes of limitations (giving effect to any waiver, mitigation or extension thereof) plus 60 days;
  - (iii) Section 10.1(a)(iii) shall survive the Closing and shall remain in full force and effect until the 90 days after the relevant Governmental Authorities shall no longer be entitled to assess or reassess liability for Taxes against the Corporation for that particular period;
  - (iv) Section 10.1(a)(iv) shall survive for a period of five years following the Closing Date; and

- (v) any Claim in respect of intentional misrepresentation, wilful misconduct or fraud shall survive the full period of all applicable statutes of limitations (giving effect to any waiver, mitigation or extension thereof) in connection with such Claim.

Notwithstanding the foregoing, any Claims asserted in good faith with reasonable specificity (to the extent known at such time) and in writing by notice from the Indemnified Party to the Indemnifying Party prior to the expiration date of the applicable survival period shall not thereafter be barred by the expiration of the relevant representation or warranty and such Claims shall survive until finally resolved.

## 10.2 Indemnification by the Purchaser

- (a) The Purchaser shall indemnify and save harmless each Vendor, on an after-Tax basis, from and against all Claims, whether or not arising due to third party Claims, which may be made or brought against such Vendor, or which he or she may suffer or incur, directly or indirectly, as a result of or in connection with or relating to:
  - (i) any non-fulfilment or breach of any covenant or agreement on the part of the Purchaser contained in this Agreement or in any certificate or other document furnished by or on behalf of the Purchaser pursuant to this Agreement; and
  - (ii) any misrepresentation or any incorrectness in or breach of any representation or warranty of the Purchaser contained in this Agreement or in any certificate or other document furnished by or on behalf of the Purchaser pursuant to this Agreement, disregarding for the purposes of this Section 10.2(a)(ii) any knowledge, materiality or Material Adverse Effect qualification in any such representation or warranty.
- (b) Subject to the limitations and other provisions of this Agreement:
  - (i) the representations and warranties of the Purchaser contained herein shall survive the Closing and shall remain in full force and effect until the date that is 24 months following the Closing Date; and
  - (ii) any Claim in respect of intentional misrepresentation, wilful misconduct or fraud shall survive the full period of all applicable statutes of limitations (giving effect to any waiver, mitigation or extension thereof) in connection with such Claim.

Notwithstanding the foregoing, any Claims asserted in good faith with reasonable specificity (to the extent known at such time) and in writing by notice from the Indemnified Party to the Indemnifying Party prior to the expiration date of the applicable survival period shall not thereafter be barred by the expiration of the relevant representation or warranty and such Claims shall survive until finally resolved.

## 10.3 Indemnification Procedures for Third Party Claims

- (a) In the case of Claims made by a Person that is not a party to this Agreement (a “**Third Party**”) with respect to which indemnification is sought, the Party seeking indemnification (the “**Indemnified Party**”) shall give prompt notice, and in any event within 30 Business Days, to the other Party (the “**Indemnifying Party**”) of any such

Claims made upon it. If the Indemnified Party fails to give such notice, such failure shall not preclude the Indemnified Party from obtaining such indemnification but its right to indemnification may be reduced to the extent that such delay prejudiced the defence of the Claim or increased the amount of liability or cost of defense.

- (b) Subject to Section 10.3(c), the Indemnifying Party shall have the right, by notice to the Indemnified Party given not later than 30 days after receipt of the notice described in Section 10.3(a), to assume the control of the defence, compromise or settlement of the Claim, provided that such assumption shall, by its terms, be without cost to the Indemnified Party and provided the Indemnifying Party acknowledges in writing its obligation to indemnify the Indemnified Party in accordance with the terms contained in this Section in respect of that Claim.
- (c) The Indemnifying Party may not assume the investigation and defence of a Third Party Claim if:
  - (i) the Indemnifying Party is also a party to the Third Party Claim and the Indemnified Party determines in good faith that joint representation would be inappropriate, or
  - (ii) the Third Party Claim seeks relief against the Indemnified Party other than monetary damages or the Indemnified Party determines in good faith that there is a reasonable probability that the Third Party Claim may adversely affect it or its Affiliates (including the Target Companies) or the conduct of the Business and the Indemnified Party has notified the Indemnifying Party that it will exercise its exclusive right to defend, compromise or settle the Third Party Claim, or
  - (iii) the Indemnifying Party fails to provide reasonable assurance to the Indemnified Party of its financial capacity to defend the Third Party Claim and provide indemnification with respect to the Third Party Claim.
- (d) If the Indemnifying Party (i) is not entitled to assume the investigation and defence of a Third Party Claim under Section 10.3(c), or (ii) does not elect to assume the investigation and defence of a Third Party Claim, the Indemnified Party has the right (but not the obligation) to undertake the defence of the Third Party Claim.
- (e) If, under Section 10.3(d), the Indemnified Party undertakes the investigation and defence of a Third Party Claim:
  - (i) subject to the other provisions of 10.3, all reasonable expenses relating to the defence of such Third Party Claim shall be borne and paid exclusively by the Indemnifying Party;
  - (ii) the Indemnifying Party shall make available to the Indemnified Party any documents and materials in his possession or control that may be necessary to the defence of such Third Party Claim; and
  - (iii) the Indemnified Party shall have the right to settle, adjust or compromise such Third Party Claim but the Indemnifying Party shall not be bound by any

compromise or settlement of the Third Party Claim effected without its written consent (which consent may not be unreasonably withheld or delayed).

- (f) Upon the assumption of control of any Claim by the Indemnifying Party as set out in Section 10.3(b), the Indemnifying Party shall diligently proceed with the defence, compromise or settlement of the Claim at its sole expense, including if necessary, employment of counsel and experts reasonably satisfactory to the Indemnified Party and, in connection therewith, the Indemnified Party shall cooperate fully, but at the expense of the Indemnifying Party with respect to any out-of-pocket expenses incurred, to make available to the Indemnifying Party all pertinent information and witnesses under the Indemnified Party's control, make such assignments and take such other steps as in the opinion of counsel for the Indemnifying Party are reasonably necessary to enable the Indemnifying Party to conduct such defence. The Indemnified Party shall also have the right to participate in the negotiation, settlement or defence of any Claim at its own expense. The Indemnifying Party shall not settle any Claim without the prior written consent of the Indemnified Party, such consent not to be unreasonably withheld.
- (g) The final determination of any Claim pursuant to this Section, including all related costs and expenses, shall be binding and conclusive upon the Parties as to the validity or invalidity, as the case may be, of such Claim against the Indemnifying Party.
- (h) If the Indemnifying Party does not assume control of a Claim as permitted in Section 10.3(b), the Indemnified Party shall be entitled to make such settlement of the Claim as in its sole discretion may appear advisable, and such settlement or any other final determination of the Claim shall be binding upon the Indemnifying Party.

#### **10.4 Payment; Calculation of Loss**

- (a) Once a Claim is agreed to by the Indemnifying Party or finally adjudicated to be payable pursuant to this Article 10, the Indemnifying Party shall satisfy its obligations within 15 Business Days of such final, non-appealable adjudication by wire transfer of immediately available funds. The Parties agree that should an Indemnifying Party not make full payment of any such obligations within such 15 Business Day period, any amount payable shall accrue interest from and including the date of agreement of the Indemnifying Party or final, non-appealable adjudication with respect thereto, to but excluding the date such payment has been made at a rate per annum equal to 6%. Such interest shall be calculated daily on the basis of a 365 day year and the actual number of days elapsed.
- (b) Any Claims payable to a Purchaser Indemnified Party pursuant to Article 10 shall be satisfied from the Vendors on a joint and several basis.
- (c) In computing any loss payable under pursuant to any Claim, the amount of the loss shall be deemed to be an amount net of any insurance proceeds actually recovered in respect thereof by the Indemnified Party; provided, however, that nothing in this Agreement shall require the Indemnified Party to maintain any insurance policies or pursue recovery from any insurance policies.

#### **10.5 No Contribution.**

Each of the Vendors acknowledges and agrees that the Corporation shall not have any Liability or obligation to indemnify, save or hold harmless or otherwise pay, reimburse or make the Vendors whole for or on account of any indemnification or other claims made by any Purchaser Indemnified Party hereunder. None of the Vendors shall have any right of contribution against the Corporation with respect to any such indemnification or other claim.

#### **10.6 Representations Not Limited.**

The representations, warranties, covenants and obligations of the Vendors, and the rights and remedies that may be exercised by Purchaser Indemnified Parties, shall not be limited or otherwise affected by or as a result of any information furnished to, or any investigation made by or knowledge of, any of Purchaser Indemnified Parties or any of their Representatives. Without limiting the generality of the foregoing, the Purchaser Indemnified Parties expressly reserve the right to seek indemnity or other remedy for any Losses arising out of or relating to any breach of any representation, warranty or covenant contained herein, notwithstanding any investigation by, disclosure to, knowledge or imputed knowledge of the Purchaser Indemnified Parties in respect of any fact or circumstance that reveals the occurrence of any such breach.

#### **10.7 Tax Status of Indemnification Payments**

Any payment made by the Vendors pursuant to this Article 10 shall constitute a reduction of the Purchase Price and any payment made by the Purchaser pursuant to this Article 10 shall constitute an increase in the Purchase Price. In either case, each of the Vendors and the Purchaser shall, within a reasonable time of payment and receipt of such payment, as applicable, and in any event within two months of such payment, request all amendments to its current or past Tax Returns as may be necessary to reflect the foregoing.

#### **10.8 Trustee and Agent**

Each Vendor acknowledges that the Purchaser is acting as trustee and agent for the remaining Purchaser Indemnified Parties, on whose behalf and for whose benefit the indemnity in Section 10.1 is provided and that such remaining Purchaser Indemnified Parties shall have the full right and entitlement to take the benefit of and enforce such indemnity notwithstanding that they may not individually be parties to this Agreement. Each Vendor agrees that the Purchaser may enforce the indemnity for and on behalf of such remaining Purchaser Indemnified Parties and, in such event, the Party from whom indemnification is sought will not in any proceeding to enforce the indemnity by or on behalf of such remaining Purchaser Indemnified Parties assert any defence thereto based on the absence of authority or consideration or privity of contract and irrevocably waives the benefit of any such defence.

### **ARTICLE 11 GENERAL**

#### **11.1 Public Notices**

The Parties shall jointly plan and co-ordinate any public notices, press releases, and any other publicity concerning the transactions contemplated by this Agreement and no Party shall act in this regard without the prior approval of the other, such approval not to be unreasonably withheld, unless such disclosure is required to meet timely disclosure obligations of any Party under Laws or stock exchange rules in circumstances where prior consultation of the other Party is not practicable and a copy of such disclosure is provided to the other Party as soon as reasonably practicable following such disclosure.

**11.2 Expenses**

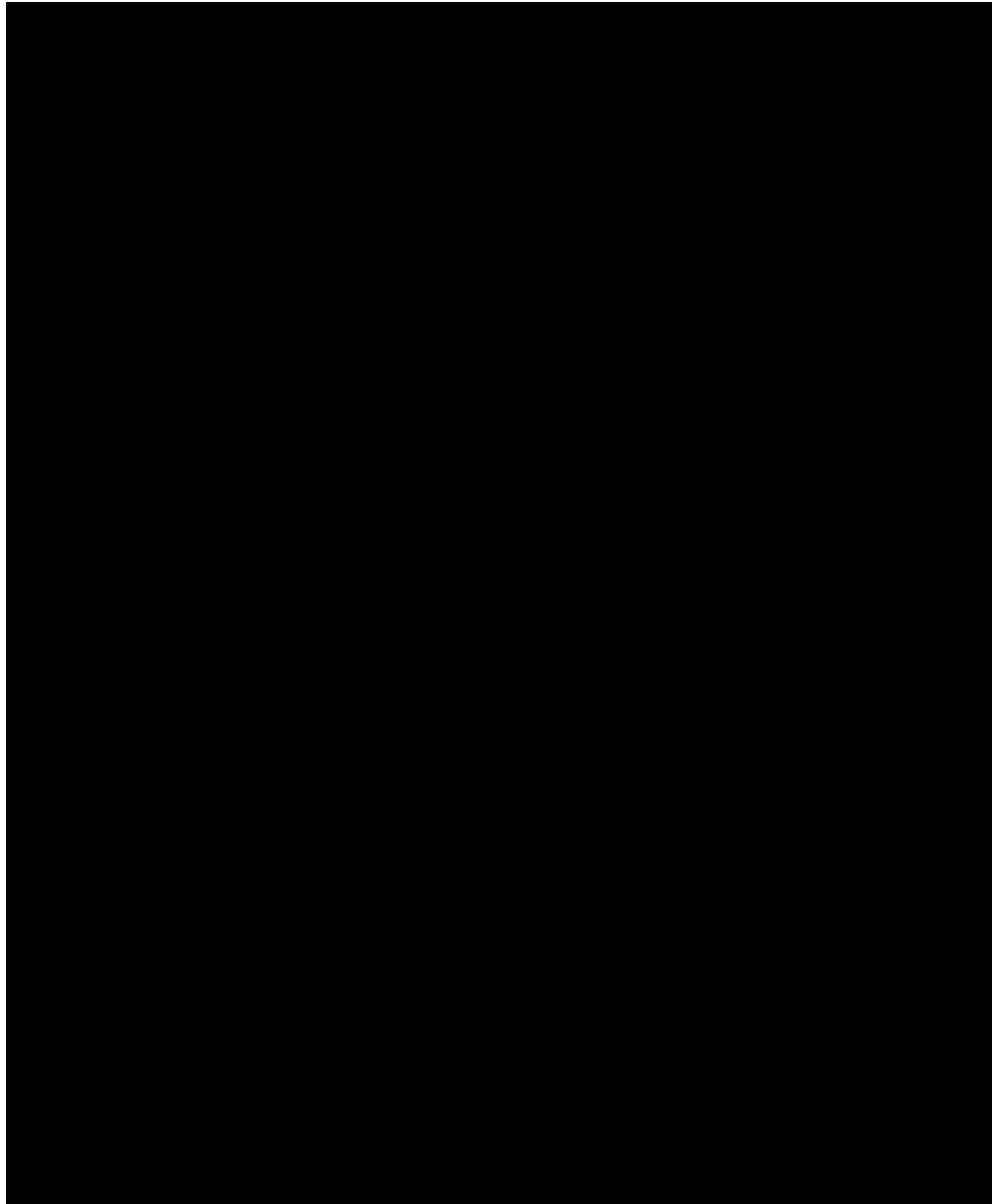
Each of the Parties shall pay all of their respective costs and expenses (including the fees and disbursements of legal counsel and other advisers) incurred by them in connection with the negotiation, preparation and execution of this Agreement and the transactions contemplated by this Agreement.

**11.3 Notices**

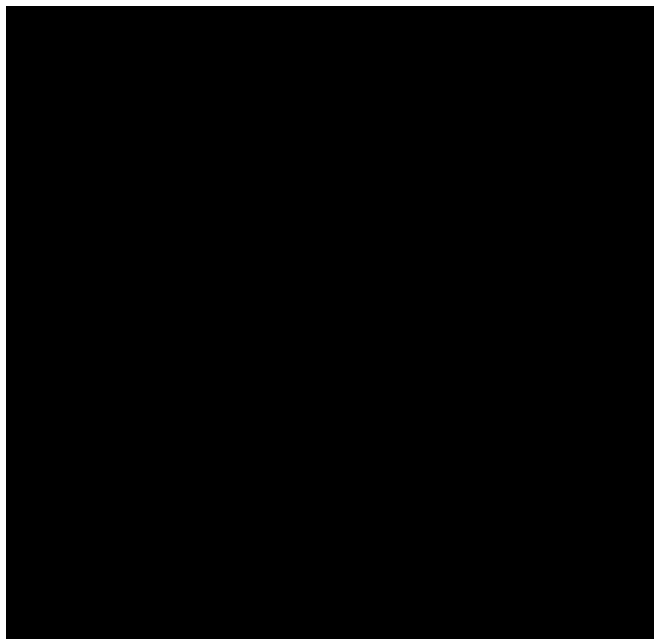
Any notice, consent or approval required or permitted to be given in connection with this Agreement (in this Section referred to as a “**Notice**”) shall be in writing and shall be sufficiently given if delivered (whether in Person, by courier service or other personal method of delivery), or if transmitted by facsimile or e-mail:

(a)

Note: notices provision



(b)



Note: notices provision

Any Notice delivered or transmitted to a Party as provided above shall be deemed to have been given and received on the day it is delivered or transmitted, provided that it is delivered or transmitted on a Business Day prior to 5:00 p.m. local time in the place of delivery or receipt. However, if the Notice is delivered or transmitted after 5:00 p.m. local time or if such day is not a Business Day then the Notice shall be deemed to have been given and received on the next Business Day.

Any Party may, from time to time, change its address by giving Notice to the other Parties in accordance with the provisions of this Section.

#### **11.4 Assignment**

The Purchaser shall be entitled to assign all of their rights and obligations under this Agreement to any of its Affiliates or to its lender from time to time as collateral security. Except for such permitted assignment, no Party may assign this Agreement or any rights or obligations under this Agreement without the prior written consent of each of the other Parties.

#### **11.5 Enurement**

This Agreement enures to the benefit of and is binding upon the Parties and, as applicable, their respective heirs, attorneys, guardians, estate trustees and their respective successors (including any successor by reason of amalgamation of any Party) and permitted assigns.

#### **11.6 Amendment**

No amendment, supplement, modification or waiver or termination of this Agreement and, unless otherwise specified, no consent or approval by any Party, is binding unless executed in writing by the Party to be bound thereby.

#### **11.7 Further Assurances**

The Parties shall, with reasonable diligence, do all such things and provide all such reasonable assurances as may be required to consummate the transactions contemplated by this Agreement, and each Party shall

provide such further documents or instruments required by any other Party as may be reasonably necessary or desirable to effect the purpose of this Agreement and carry out its provisions, whether before or after the Closing.

### **11.8 Execution and Delivery**

This Agreement may be executed by the Parties in counterparts and may be executed and delivered by electronic means and all such counterparts and electronic deliveries together constitute one and the same agreement.

### **11.9 Schedules**

The Schedules shall be arranged in separate parts corresponding to the numbered and lettered sections contained herein permitting such disclosure, and the information disclosed in any numbered or lettered part shall be deemed to relate to and to qualify only the particular representation or warranty set forth in the corresponding numbered or lettered Section herein permitting such disclosure. Nothing in any Schedule attached hereto shall be adequate to modify, qualify, or disclose an exception to a representation or warranty made in this Agreement unless such Schedule identifies the modification, qualification, or exception with reasonable particularity. Without limiting the generality of the foregoing, the mere listing (or inclusion of a copy) of a document or other item shall not be adequate to disclose an exception to a representation or warranty made in this Agreement, unless the representation or warranty has to do with the existence of the document or other item itself. No modifications, qualifications, or exceptions to any representations or warranties disclosed on one Schedule shall constitute a modification, qualification, or exception to any other representations or warranties made in this Agreement unless it is reasonably apparent on its face that the disclosures on such Schedule apply to such other representations and warranties.

**[Remainder of page intentionally left blank]**



**IN WITNESS OF WHICH** the Parties have executed this Agreement.

**10998354 CANADA INC**

By:



Name: *SWARANDEEP SINGH BRAR*  
Title: *PRESIDENT*

\_\_\_\_\_  
Witness

\_\_\_\_\_  
**ERIKA ZALEZ**

\_\_\_\_\_  
Witness

\_\_\_\_\_  
**RAFAEL LA TORRE**

\_\_\_\_\_  
Witness

\_\_\_\_\_  
**MARIO FRANCISCO SANCHEZ**

\_\_\_\_\_  
Witness

\_\_\_\_\_  
**YENY ROCIO JIMENEZ MARTINEZ**

**IN WITNESS OF WHICH** the Parties have executed this Agreement.

Note: signatures of signatories

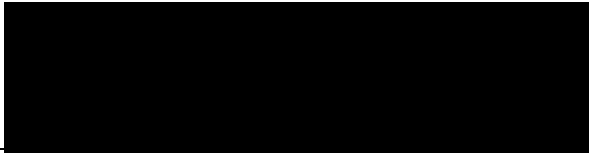
**10998354 CANADA INC.**

By: \_\_\_\_\_

Name:


Title:

\_\_\_\_\_  
Witness

\_\_\_\_\_  


**ERIKA ZALEZ**

\_\_\_\_\_  
Witness

\_\_\_\_\_  


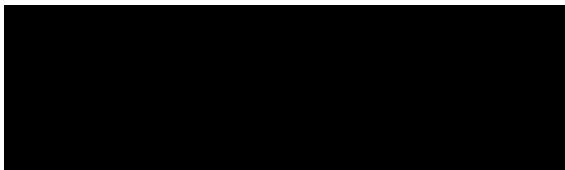
**RAFAEL LA TORRE**

\_\_\_\_\_  
Witness

\_\_\_\_\_  


**MARIO FRANCISCO SANCHEZ**

\_\_\_\_\_  
Witness

\_\_\_\_\_  


**YENY ROCIO JIMENEZ MARTINEZ**

Note: signatures of signatories

**CHEMESIS INTERNATIONAL INC.**

By:



Name: Edgar Montero  
Title: Director and Chief Executive  
Officer

**SCHEDULE 1.1  
FINCA LICENSE**

(Attached)

**EXHIBIT 1**

Ministerio de Justicia y del Derecho  
República de Colombia

RESOLUCIÓN **0837** DE 2017 19 OCT 2017

Por medio de la cual se otorga Licencia de cultivo de plantas de cannabis no psicoactivo

**LA SUBDIRECTORA DE CONTROL Y FISCALIZACIÓN DE SUSTANCIAS QUÍMICAS  
Y ESTUPEFACIENTES  
DEL MINISTERIO DE JUSTICIA Y DEL DERECHO**

En ejercicio de las facultades legales, en especial las conferidas en la Ley 1787 de 2016; el Decreto 1427 de 2017, el Decreto 613 de 2017, en concordancia con lo dispuesto en las Resoluciones 577, 578 y 579 de 2017, del Ministerio de Justicia y del Derecho, en aplicación de las normas establecidas en el Código de Procedimiento Administrativo y de lo Contencioso Administrativo y

**CONSIDERANDO**

Que mediante radicado EXT17-0033749 del 18 de agosto de 2017, la señora Yeny Rocío Jiménez Martínez, identificada con cédula de ciudadanía No 53.117.512, en su calidad de representante legal suplente de la sociedad LA FINCA INTERACVIVA ARACHNA MED INC S.A.S. identificada con NIT 900.963.428-5, en adelante el solicitante, conforme poder otorgado por representante legal de la misma, presentó solicitud de otorgamiento de licencia de cultivo de plantas de cannabis no psicoactivo, para las modalidades de (i) producción de grano y de semillas para siembra, (ii) fabricación de derivados, (iii) fines industriales, y (iv) fines científicos.

Que en cumplimiento de lo dispuesto en los artículos 2.8.11.2.1.5. y 2.8.11.2.5.2. del Decreto 780 de 2016 (artículo 1 del Decreto 613 de 2017) y el artículo 4 de la Resolución 577 de 2017 del Ministerio de Justicia y del Derecho, en concordancia con lo dispuesto en la Resolución 578 de 2017 del Ministerio de Justicia y del Derecho, el solicitante allegó la documentación necesaria para evaluar el cumplimiento de los requisitos generales y específicos de la Licencia de cultivo de plantas de cannabis no psicoactivo para las modalidades por él requeridas.

Que el artículo 8 de la Ley 1787 de 2016 establece que "[e]l Ministerio de Salud y Protección Social y el Ministerio de Justicia y del Derecho, a través de la Subdirección de Control y Fiscalización de Sustancias Químicas y Estupefacientes, deberán cobrar por los servicios de evaluación y seguimiento a los solicitantes o titulares de las licencias, establecidas en la presente ley y en sus normas reglamentarias."

Que de conformidad con el artículo 2.8.11.7.1. del Decreto 780 de 2016, "[e]n desarrollo de los artículos 8 y 9 de la Ley 1787 de 2016, se reglamentan las tasas para recuperar los costos de los servicios prestados por las autoridades de control de las que trata el artículo 2.8.11.1.4, con ocasión de los servicios de evaluación a los solicitantes o titulares de las licencias de uso de semillas para siembra, cultivo de cannabis, y de fabricación de derivados de cannabis, según sus competencias, así como del seguimiento tanto en su componente administrativo como operativo. (...)"

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RESOLUCIÓN N° 0837

19 OCT 2017 Hoja N° 2 de 3

Continuación de la Resolución por medio de la cual se otorga Licencia de cultivo de plantas de cannabis no psicoactivo

Que el artículo 2.8.11.7.1. del Decreto 780 de 2016 dispone que "[e]l pago de la tarifa podrá hacerse por cuotas, sin que esto genere costos adicionales o reducciones. La primera cuota se debe pagar de manera previa a la radicación de cualquiera de las solicitudes de licencia y corresponderá al monto equivalente a los costos de evaluación de la solicitud. Las siguientes cuotas serán anuales, y se entregará el comprobante de pago de la misma como requisito para la solicitud de cupos que hagan los solicitantes, para los casos aplicables. Ese monto anual corresponderá a las labores de seguimiento y control administrativo y operativo liquidadas anualmente. En el caso de las licencias que no necesitan solicitar cupos, el pago de las cuotas se hará en el primer mes calendario de cada año."

Que una vez realizado el análisis técnico y jurídico de la solicitud de obtención de licencia, así como la visita evaluación, se evidenció que la sociedad cumple con lo dispuesto en el Decreto 780 de 2016 (artículo 1 del Decreto 613 de 2017) y las Resoluciones 577 y 578 de 2017 del Ministerio de Justicia y del Derecho.

Por lo anteriormente expuesto, este Despacho:

**RESUELVE:**

**Artículo 1. Licencia.** Otorgar licencia de cultivo de plantas de cannabis no psicoactivo, a la sociedad LA FINCA INTERACTIVA ARACHNA MED INC S.A.S. identificada con NIT 900.963.428-5, en los siguientes términos:

Modalidades	Inmueble	
	Ubicación	Número de matrícula inmobiliaria
Producción de grano y de semillas para siembra	Pasatlempos El Cerrito - Valle del Cauca	373-86795
Fabricación de derivados		
Fines industriales		
Fines científicos		

**Artículo 2. Vigencia.** La presente licencia tendrá una vigencia de 5 años contados a partir de su fecha de ejecutoria y podrá ser recertificada, lo cual deberá solicitarse con tres (3) meses de anticipación a su vencimiento.

**Artículo 3. Cumplimiento normativo.** En calidad de licenciataria de cultivo de plantas de cannabis no psicoactivo en las modalidades indicadas en el artículo 1 de la presente resolución, la sociedad LA FINCA INTERACTIVA ARACHNA MED INC S.A.S. identificada con NIT 900.963.428-5, deberá dar cumplimiento a las condiciones especificadas en este acto administrativo; a lo dispuesto en el Decreto 780 de 2016 (artículo 1 del Decreto 613 de 2017), en las Resoluciones 577 y 578 de 2017 del Ministerio de Justicia y del Derecho y en las normas aplicables o aquellas que las modifiquen o adicionen.

**Artículo 4. Forma de pago.** El pago de las cuotas correspondientes al servicio de seguimiento y de control administrativo y operativo de la licencia otorgada por medio del presente acto administrativo se hará de la siguiente forma:

**Cuotas:** el licenciatario deberá pagar al Ministerio de Justicia y del Derecho, cuatro (4) cuotas, cada una por 27,32 SMLDV, dentro del primer mes calendario de los cuatro (4) años siguientes a la fecha de expedición de la licencia. El respectivo comprobante de pago se deberá allegar dentro de los primeros 15 días calendario del mes de febrero de cada año al Ministerio de Justicia y del Derecho.

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RESOLUCIÓN N° 0837

19 OCT 2017 Hoja N° 3 de 3

Continuación de la Resolución por medio de la cual se otorga Licencia de cultivo de plantas de cannabis no psicoactivo

**Parágrafo 1.** El pago de las cuotas de las que trata el presente artículo se deberá realizar en la cuenta bancaria que disponga el Ministerio de Justicia y del Derecho.

**Parágrafo 2.** Para los efectos de este artículo el cálculo del valor a pagar por parte del licenciatario deberá efectuarse de acuerdo al valor del SMLDV a la fecha en que se realiza el correspondiente pago de la cuota respectiva.

**Artículo 5. Causación de intereses de mora.** El incumplimiento en el pago de cualquiera de las cuotas correspondientes al servicio de seguimiento y control a la licencia otorgada, en la forma y dentro del plazo establecido mediante el presente acto administrativo, genera la obligación de pagar intereses de mora, conforme a los términos del artículo 3 de la Ley 1066 de 2006.

Lo anterior, sin perjuicio de lo establecido en el artículo 2.8.11.9.2 y el numeral 14 del artículo 2.8.11.9.1 del Decreto 780 de 2016 (artículo 1 del Decreto 613 de 2017), o la norma que lo sustituya, adicione o modifique.

**Artículo 6. Notificar personalmente** el contenido de la presente Resolución a la señora Yeny Rocío Jiménez Martínez, identificada plenamente en el expediente, quien para el efecto puede ser citada en el correo electrónico registrado lafincainteractiva@gmail.com haciéndole entrega de una copia de la misma. De no lograrse la notificación personal se procederá conforme lo dispuesto en el artículo 69 del Código de Procedimiento Administrativo y de lo Contencioso Administrativo.

**Artículo 7. Comunicar** el contenido de la presente Resolución a la Alcaldía de El Cerrito – Valle del Cauca.

**Artículo 8. Recursos.** Contra la presente resolución procede el recurso de reposición y en subsidio el de apelación.

NOTIFÍQUESE, COMUNÍQUESE Y CÚMPLASE

Dada en Bogotá, D.C., a los 19 OCT 2017

GLORIA PATRICIA CRISPÍN AMOROCHO  
Subdirectora de Control y Fiscalización de Sustancias  
Químicas y Estupefacientes

Elaboró: Cristian Quiroga  
Revisó: Adriana Ribero Roa  
Andrea Guzmán Celis

**SCHEDULE 3.1  
CONSIDERATION FOR PURCHASED SHARES**

<b>Vendor</b>	<b>Purchased Shares</b>	<b>Debt Assumptions</b>	<b>Chemesis Shares</b>
10998354 Canada Inc.	5,100,000 Class A Common Shares	Assumption of \$5,500,000 pursuant to the Loan Amending Agreement	3,264,000 common shares
Erika Zalez	1,960,000 Class B Common Shares	-	1,254,400 common shares
Rafael La Torre	1,960,000 Class B Common Shares	-	1,254,400 common shares
Mario Francisco Sanchez	490,000 Class B Common Shares	-	313,600 common shares
Yeny Rocio Jimenez Martinez	490,000 Class B Common Shares	-	313,600 common shares



**SCHEDULE 5.5**  
**OFFICERS AND DIRECTORS**

Swarandeep Singh Brar is sole officer and director.

**SCHEDULE 5.11**

**FINANCIAL STATEMENTS**

**10998451 Canada Inc. as of January 7, 2019:**

Assets: \$2,220,286.37 – Funds held in trust at [REDACTED] Note: personal/sensitive information

Liabilities: \$2,100,000.00 USD Promissory Note to 10998354

**La Finca as of October 31, 2018:**

**LA FINCA INTERACTIVA- ARACHNA MED INC SAS**  
**NIT 900.963.428-5**  
**ESTADO DE SITUACION FINANCIERA A**  
(Cifras en \$ colombianos)

ACTIVO	<u>OCTUBRE 2018</u>	<u>DIC. 2017</u>
<b>ACTIVO CORRIENTE</b>		
Equivalentes a efectivo	523.336	28.661.005
Cuentas comerciales	7.117.913	-
Otras cuentas por cobrar	1.650.000	11.200.000
Activos por impuestos corrientes	154.000	35.000
Inventarios	66.713.572	11.320.898
<b>Total activo corriente</b>	<u>76.158.821</u>	<u>51.216.903</u>
<b>ACTIVO NO CORRIENTE</b>		
Activos fijos	50.583.906	50.507.404
<b>Total activo no corriente</b>	<u>51.426.629</u>	<u>50.507.404</u>
<b>TOTAL ACTIVO</b>	<u>127.585.450</u>	<u>101.724.307</u>
<b>PASIVO</b>		
<b>PASIVO CORRIENTE</b>		
Cuentas por pagar partes relacionadas	9.846.737	-
Cuentas por pagar	36.267.335	
Impuestos por pagar	1.320.000	1.192.343
Impuestos gravámenes y tasas	1.488.975	-
Anticipos para compra de acciones	-	102.400.362
<b>Total pasivo corriente</b>	<u>48.923.047</u>	<u>103.592.705</u>
<b>TOTAL PASIVO</b>	<u>48.923.047</u>	<u>103.592.705</u>
<b>PATRIMONIO</b>		
Capital Autorizado	250.000.000	40.002.000
Resultado de Ejercicios Anteriores	(41.870.398)	-
Resultado del Ejercicio	(129.467.199)	(41.870.398)
<b>TOTAL PATRIMONIO</b>	<u>78.662.403</u>	<u>(1.868.398)</u>
<b>TOTAL PASIVO Y PATRIMONIO</b>	<u>127.585.450</u>	<u>101.724.307</u>

  
**ERIKA ZALEZ**  
Representante Legal

  
**GLORIA QUIROGA COLLAZOS**  
Contador  
T.P. 12252-T

**LA FINCA INTERACTIVA- ARACHNA MED INC SAS**  
**NIT 900.963.428-5**  
**ESTADO DE SITUACION FINANCIERA A**  
(Cifras en \$ colombianos)

<b>ACTIVO</b>	<b>OCTUBRE 2018</b>	<b>DIC 2017</b>
<b>ACTIVO CORRIENTE</b>		
Equivalentes a efectivo	523.336	28.661.005
Cuentas comerciales	7.117.913	-
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<b>PASIVO</b>		
<b>PASIVO CORRIENTE</b>		
Cuentas por pagar partes relacionadas	9.846.737	-
Cuentas por pagar	36.267.335	-
Impuestos por pagar	1.320.000	1.192.343
Impuestos gravámenes y tasas	1.488.975	-
Anticipos para compra de acciones	-	102.400.362
<b>Total pasivo corriente</b>	<b>48.923.047</b>	<b>103.592.705</b>
<b>TOTAL PASIVO</b>	<b>48.923.047</b>	<b>103.592.705</b>
<b>PATRIMONIO</b>		
Capital Autorizado	250.000.000	40.002.000
Resultado de Ejercicios Anteriores	(41.870.398)	-
Resultado del Ejercicio	(129.467.199)	(41.870.398)
<b>TOTAL PATRIMONIO</b>	<b>78.662.403</b>	<b>(1.868.398)</b>
<b>TOTAL PASIVO Y PATRIMONIO</b>	<b>127.585.450</b>	<b>101.724.307</b>

  
ERIKA ZALEZ  
Representante Legal

  
GLORIA QUIROGA COLLAZOS  
Contador  
T.P. 12252-T

**SCHEDULE 5.33**  
**TAX MATTERS**

Nil.

**SCHEDULE 5.40**  
**BANK ACCOUNTS**



**SCHEDULE 5.41**  
**UNDERLYING AGREEMENT**

(Attached)

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SHARE SUBSCRIPTION AND CONTRIBUTION  
AGREEMENT

By and among

Erika Zalez, Rafael la Torre, Mario Francisco Sánchez  
and Yeny Rocio Jiménez Martínez  
(jointly and severally the "Colombian Shareholders")

La Finca Interactiva Arachna Inc. S.A.S  
(the "Colombian Company")

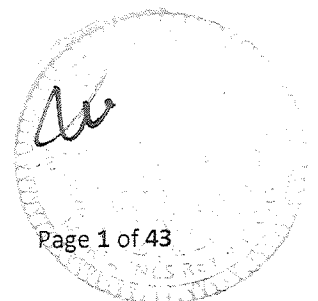
10998354 Canada Inc.  
(the "Canadian Shareholder")

10998451 Canada Inc.  
(the "Canadian NewCo")

Dated October 24, 2018

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## SHARE SUBSCRIPTION AND CONTRIBUTION AGREEMENT

This SHARE SUBSCRIPTION AND CONTRIBUTION AGREEMENT, dated as of October 24, 2018 (the "Agreement"), is entered into by and between:

(a) Erika Zalez, of legal age, Colombian nationality and identified with Colombian citizenship identification card [REDACTED], as evidenced in the copy of her nationality identification card that makes part of this Agreement as Exhibit 7 (hereinafter "Ms. Zalez");

(b) Rafael La Torre, of legal age, Colombian nationality and identified with Colombian citizenship identification card [REDACTED] as evidenced in the copy of his nationality identification card that makes part of this Agreement as Exhibit 7 (hereinafter "Mr. La Torre");

(c) Mario Francisco Sánchez, of legal age, Colombian nationality and identified with Colombian citizenship identification card [REDACTED] as evidenced in the copy of his nationality identification card that makes part of this Agreement as Exhibit 7 (hereinafter "Mr. Sánchez");

(d) Yeny Rocio Jiménez Martínez, of legal age, Colombian nationality and identified with Colombian citizenship identification card [REDACTED] as evidenced in the copy of her nationality identification card that makes part of this Agreement as Exhibit 7 (hereinafter "Ms. Jiménez"), and collectively, jointly and severally, with Ms. Zalez, Mr. La Torre and Mr. Sánchez, the "Colombian Shareholders";

(e) La Finca Interactiva Arachna Med Inc. S.A.S, a corporation duly incorporated under the Laws of the Republic of Colombia, identified with Tax Identification No. 900.963.428-5 (hereinafter the "Colombian Company");

(f) 10998354 Canada Inc., a corporation incorporated under the federal Laws of Canada (hereinafter the "Canadian Shareholder"); and

(g) 10998451 Canada Inc., a corporation duly incorporated under the federal Laws of Canada (the "Canadian NewCo").

Note: personal/  
sensitive  
information

## RECITALS

WHEREAS the Colombian Shareholders own all of the issued and paid shares of the Colombian Company (the "Colombian Shares") as follows:

SHAREHOLDER	SHARES	PERCENTAGE OF INTEREST
Erika Zalez	200	40%
Rafael La Torre	200	40%
Mario Fernando Sánchez	50	10%
Yeny Rocio Jiménez Martínez	50	10%
<b>TOTAL</b>	<b>500</b>	<b>100%</b>

WHEREAS the Canadian Shareholder owns all of the issued and paid shares of the Canadian NewCo (the "Canadian Shares") as follows:

SHAREHOLDER	SHARES	PERCENTAGE OF INTEREST
10998354 Canada Inc.	5,100,000 Class A	100%
<b>TOTAL</b>	<b>5,100,000</b>	<b>100%</b>

WHEREAS subject to the terms and conditions set forth in this Agreement, the Colombian Shareholders are interested in subscribing four million, nine hundred thousand (4,900,000) Class B shares issued by the Canadian NewCo, which once consummated, shall represent forty nine percent (49%) of the subscribed and paid-in capital of the Canadian NewCo (the "Subscribed NewCo Shares").

WHEREAS in consideration for the Subscribed NewCo Shares, the Colombian Shareholders wish to make an in-kind contribution to the Canadian NewCo consisting of five hundred (500) shares of the Colombian Company and which represent one hundred per cent (100%) of the subscribed and paid-in capital of the Colombian Company (the "Contributed Shares").

WHEREAS the Parties have agreed that, subject to the terms and conditions set forth in this Agreement, the subscription of the Subscribed NewCo Shares and the contribution in-kind of the Contributed Shares shall be made in one sole moment pursuant to the provisions set out in Section 2.1. NOW THEREFORE, the Parties agree as follows:

### ARTICLE 1 Definitions

Section 1.1 Defined Terms. The following terms have the respective meanings given to them below:

"Affiliate" means, with respect to any Person, any other Person directly or indirectly controlling, controlled by or under common control with such Person.

"Business" means the commercial activities carried out by any of the Parties in compliance with applicable Laws.



"Business Day" means any day that is not (i) a Saturday, (ii) a Sunday or (iii) any other day on which commercial banks are authorized or required by Law to be closed in Colombia.

"Canadian Shareholder" means 10998354 Canada Inc. .

"Cannabis Activities" means the activities authorized under the Cannabis License and which may be carried out by the Colombian Company as of the date of this Agreement, as further defined in Exhibit 1.

"Cannabis License" means the license for cultivation of non-psychoactive cannabis plants granted to the Colombian Company by the Ministry of Justice of Colombia through Resolution 837 dated October 19, 2017 and which authorizes the Colombian Company to carry out certain activities as defined in Exhibit 1.

"Colombian Assets" has the meaning given to it in Section 4.11.

"Colombian Permits" has the meaning given to it in Section 4.14.

"Colombian Pesos" or "COP" means Colombian pesos, the legal currency of Colombia.

"Colombian Benefit Plan" has the meaning given to it in Section 4.17

"Colombian Financial Statements" has the meaning given to it in Section 4.6.

"Confidential Information" shall have the meaning given to the term in Section 10.6 (b).

"Control" and "Controlled" has the meaning assigned to that term in Articles 260 and 261 of the Colombian Commercial Code, or the Laws that modify or replace them and include all its conjugations or derivations.

"Direct Claim" shall have the meaning given to this term in Section 8.3 (c).

"End Date" shall have the meaning given to the term in Section 9.1.

"Environmental Law" means any Law regulating or relating to the protection of human health, natural resources or the environment, including Laws relating to contamination and the use, generation, management, handling, transport, treatment, disposal, storage, Release or threatened Release of, or exposure to, Hazardous Substances.

"Environmental Permit" means any Permit required pursuant to applicable Environmental Laws.

"Governmental Authority" means any nation or government, any state or other political subdivision thereof, any entity, authority or body exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government, any court, tribunal or arbitrator and any self-regulatory organization.

"Indebtedness" means, with respect to any Person, without duplication, (i) all obligations of such Person for borrowed money, or with respect to deposits or advances of any kind, (ii) all obligations of such Person evidenced by bonds, debentures, notes or similar instruments, (iii) all promissory notes, bills of exchange (*letras de cambio*), or any other credit security (*título valor de contenido crediticio*) issued by such Person, (iv) all obligations of such Person upon which interest



charges are customarily paid (other than trade payables incurred in the ordinary course of business consistent with past practice), (v) all obligations of such Person incurred or assumed as the deferred purchase price of property or services (excluding obligations of such Person to creditors for raw materials, inventory, services and supplies incurred in the ordinary course of business consistent with past practice), (vi) all lease obligations of such Person capitalized on the books and records of such Person, (vii) all obligations of others secured by a Lien on property or assets owned or acquired by such Person, whether or not the obligations secured thereby have been assumed, (viii) all letters of credit or performance bonds issued for the account of such Person and (ix) all guarantees and arrangements having the economic effect of a guarantee by such Person of any indebtedness of such Person or any other Person.

"Indemnifying Party", "Indemnified Party" and "Indemnitees" shall have the meaning given to them in Article 8 of this Agreement.

"Intellectual Property" means registered patents, applications for registration of patents, trademarks, trademark applications, registered trade slogans, applications for registration of commercial slogans, commercial names in use, trade names deposited, commercial signs in use, owned commercial signs (including software), licenses for the use of intellectual property (either as licensor or licensee) and know-how, in the interest of being preserved to be used or currently in use in the ordinary course of business.

"Laws" means any constitution, statute, law, ordinance, regulation, rule, code, order, treaty, common law, judgment, decree, other requirement or rule of law of any Governmental Authority.

"Lien" means, with respect to any property or asset, any mortgage, lien, pledge, charge, security interest, lease, guarantee, movable guarantee (*"garantía mobiliaria"*), sell-back agreement (*"pacto de retroventa"*), property reserve agreement (*"pacto de reserva de dominio"*) easement, option, usufruct, antichresis, *fiducia*, retention rights (*"derecho de retención"*), retention (*"derecho de retención"*), right of first offer, right of first refusal or any other preemptive right, or any other similar Lien limiting, in any way, the free disposition of the relevant property or asset.

"Litigation" means any action, cease and desist letter, demand, suit, arbitration proceeding, administrative or regulatory proceeding, citation, summons or subpoena of any nature, civil, criminal, regulatory or otherwise, in law or in equity.

"Loan" shall have the meaning assigned to this term in Section 2.2 (a)(iv)(4)

"Loss" means with respect to a Person, whether or not involving a Third Party Claim (as defined herein), any losses, consequential damage (*daño emergente*), loss of profits (*lucro cesante*), damages, liabilities, deficiencies, Litigation, judgments, interest, awards, penalties, fines, Taxes and out-of-pocket costs or expenses of whatever kind (including reasonable attorneys' fees and costs incurred in investigating, present or future, actual or contingent, ascertained or unascertained, accrued or un-accrued, liquidated or unliquidated, preparing, guaranteeing or defending the foregoing), and any lost profits and diminution in value, and the cost of legally enforcing any right to indemnification hereunder and the cost of pursuing any insurance providers, and the Taxes accrued from the indemnification of any such Loss.

"Material Adverse Effect", means any event, occurrence, fact, condition or change that is materially adverse to the Business, results of operations, financial condition or assets of the Parties, provided, however, that "Material Adverse Effect" shall not include any event, occurrence, fact, condition or change, directly or indirectly, arising out of or attributable to: (i) general economic or



political conditions; (ii) conditions generally affecting the industries in which the Parties operate; (iii) any changes in financial, banking or securities markets in general, including any disruption thereof and any decline in the price of any security or any market index or any change in prevailing interest rates; (iv) acts of war (whether or not declared), armed hostilities or terrorism, or the escalation or worsening thereof; (v) any action required or permitted by this Agreement; (vi) any changes in applicable Laws or accounting rules or the enforcement, implementation or interpretation thereof; and (vii) any failure by any of the Parties to meet any internal or published projections, forecasts or revenue or earnings predictions.

"Organizational Documents" means with respect to any legal Person, its by-laws as currently in effect, certificate of existence and legal representation as currently in effect, shareholders agreements, and all other similar documents, instruments or certificates executed, adopted or filed in connection with the creation, formation or organization of a Person, including any amendments thereto.

"OFAC" means the U.S Department of Treasury Office of Foreign Assets Control.

"Person" means an individual, corporation, partnership, limited liability company, association, trust or other entity or organization, including a government or nongovernment or political subdivision or an agency or instrumentality thereof.

"Pending Cannabis Licenses" means the licenses and permits requested by the Colombian Company as of the date of this Agreement and which must be granted by any Governmental Authority to authorize the Colombian Company to carry out its Business in the terms of Exhibit 2.

"PHR" means Posse Herrera Ruiz, Colombian legal counsel to the Canadian Shareholder and the Canadian NewCo.

"Restricted Persons" shall have the meaning given to the term in Section 10.6.

"Settlement" shall have the meaning given to this term in Section 8.3(b).

"Tax" means any taxes, duties, fees, contributions (*contribuciones*), tariffs (*tarifas*), charges (*tasas*), regardless of their denomination, including any interests, penalties or other additions to tax that may be payable on such taxes, required by any Governmental Authority, and such taxes shall include, without prejudice to the generality of the above, all income taxes or profits, taxes on gross income, sales taxes, ad valorem taxes, property taxes, value added taxes, capital gains, withholding taxes, parafiscal contributions, and other formal or substantial tax or tax obligations.

"Tax Return" means any Tax return, declaration, statement, report, schedule, form or information return or any amendment to any of the foregoing relating to Taxes.

"Third Party Claim" shall have the meaning given to this term in Section 8.3(a).

"Transaction Documents" means this Agreement together with the Shareholders Agreement.

"Tribunal" shall have the meaning given to the term in Section 10.4.

Section 1.2 Construction. The following provisions shall be applied wherever appropriate herein: The words "hereof", "herein" and "hereunder" and words of like import used in



this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement.

(b) The words "Party" or "Parties" shall refer to parties to this Agreement.

(c) The headings of the Articles and Sections herein are included for convenience of reference only and shall be ignored in the construction or interpretation hereof.

(d) References to Articles, Sections and Exhibits are to Articles, Sections and Exhibits of this Agreement, unless otherwise specified herein.

(e) All Exhibits and Annexes (including the Disclosure Schedule) annexed hereto or referred to herein are hereby incorporated in and made a part of this Agreement as if set forth in full herein.

(f) Any capitalized term used in any Exhibit and Annexes (including the Disclosure Schedule) but not otherwise defined therein shall have the meaning given to such term in this Agreement.

(g) Any singular term in this Agreement shall be deemed to include the plural, and any plural term the singular.

(h) Whenever the words "include", "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation", whether or not they are in fact followed by those words or words of like import.

(i) Technical or scientific words that are not specifically defined herein shall have the meaning corresponding to them according to the respective technique or science and the other words shall be understood in their natural and obvious sense, according to the general use thereof.

(j) "Writing", "written" and comparable terms refer to printing, typing and other means of reproducing words (including electronic media) in a visible form.

(k) References to any agreement or contract are to that agreement or contract as amended, modified or supplemented from time to time in accordance with the terms hereof and thereof.

(l) References to any Person include the successors and permitted assigns of that Person.

(m) Any reference to "days" means calendar days unless Business Days are expressly specified.

(n) "Best efforts" shall be construed to mean, with respect to any intended action or result, the level of diligence and care that would have been expected from a good businessman ("*buen hombre de negocios*"), well informed about, and acting professionally towards, the intended action or result, in the management of his/her own business.

(o) If any action under this Agreement is required to be done or taken on a day that is not a Business Day, then such action shall be required to be done or taken not on such day but on the next Business Day.



ARTICLE 2  
Subscription of Shares

Section 2.1 Subscription and In-Kind Contribution. Upon the terms and subject to the conditions contained herein and prior satisfaction of the conditions and undertakings set forth in Section 7.1, the Canadian NewCo shall issue and offer the Subscribed NewCo Shares solely to the Colombian Shareholders, free and clear of any encumbrance or Lien to the rights such Subscribed NewCo Shares grant to their holders. Simultaneously, the Colombian Shareholders shall subscribe the Subscribed NewCo Shares and in consideration thereof shall contribute to the Canadian NewCo the Contributed Shares.

Section 2.2 Closing. The subscription of the Subscribed NewCo Shares and the simultaneous contribution of the Contributed Shares (the "Closing") shall be consummated within the five (5) Business Days following the date in which the terms and conditions set forth in Section 7.1 are satisfied in full by the Canadian NewCo and/or by the Colombian Company, as the case may be, or are otherwise expressly waived by the Canadian NewCo and/or by the Colombian Company (the "Closing Date"). The Closing shall occur in the address previously determined in writing by the Parties at least five (5) Business Days in advance thereof.

- (a) On the Closing Date, the following actions shall occur:
- (i) The Canadian NewCo shall offer the Subscribed NewCo Shares solely to the Colombian Shareholders for its subscription.
  - (ii) The Colombian Shareholders shall irrevocably contribute the Contributed Shares to the Canadian NewCo.
  - (iii) The Colombian Shareholders shall deliver or cause to deliver the following documents to the Canadian Shareholder:
    - (1) the Shareholders Agreement enclosed hereto as Exhibit 3, duly executed by the Colombian Shareholders;
    - (2) the minutes of the Shareholders Assembly of the Colombian Company approving the contribution by the Colombian Shareholders of the Contributed Shares to the Canadian NewCo, in the terms and conditions set forth in this Agreement;
    - (3) the share certificates evidencing the ownership of the Contributed Shares in favor of the Canadian NewCo, duly executed by the legal representative of the Colombian Company, and a copy of the share registry ledger of the Colombian Company, evidencing the recording of the Canadian NewCo as the record holder of the Contributed Shares;
    - (4) a covenant from the Colombian Shareholders agreeing to serve as resident directors of the Colombian Company, and any change, replacement or substitution of such directors shall require the consent of Canadian NewCo;
    - (5) any other document or certificate that is reasonably requested by the Canadian Shareholder.



(iv) The Canadian Shareholder shall deliver or cause to deliver the following documents to the Colombian Shareholders:

(1) the Shareholders Agreement enclosed hereto as Exhibit 3, duly executed by the Canadian Shareholder;

(2) the directors resolution of the Canadian NewCo approving the issuance and placement of the Subscribed NewCo in the terms and conditions set forth in this Agreement;

(3) the share certificates evidencing the ownership of the Subscribed NewCo Shares in favor of the Colombian Shareholders, duly executed by the legal representative of the Canadian NewCo, and a copy of the share registry ledger of the Canadian NewCo, evidencing the recording of the Colombian Shareholders as the record holders of the Subscribed NewCo Shares;

(4) evidence of the TWO MILLION, ONE HUNDRED THOUSAND US] Dollars \$2,100,000.00 loan (the "Loan") simultaneously being made by the Canadian Shareholder to Canadian Newco in order to fund the operation requirements of the Colombian Company and repay \$200,000 US Dollars of Colombian shareholder investments over the two (2) months following Closing;

(5) any other document or certificate that is reasonably requested by the Colombian Shareholders.

(b) On the Closing Date, and upon the fulfillment of all the actions set forth in this Section 2.2, the shareholding structure of the Canadian NewCo shall be as follows:

SHAREHOLDER	SHARES	PERCENTAGE OF INTEREST
Canadian Shareholder	5,100,000 Class A	51.00%
Erika Zalez	1,960,000 Class B	19.60%
Rafael La Torre	1,960,000 Class B	19.60%
Mario Fernando Sánchez	490,000 Class B	4.90%
Yeny Rocio Jiménez Martínez	490,000 Class B	4.90%
<b>TOTAL</b>	<b>10,000,000</b>	<b>100.00%</b>

(c) On the Closing Date, and upon the fulfillment of all the actions set forth in Section 2.2, the shareholding structure of the Colombian Company shall be as follows:

SHAREHOLDER	SHARES	PERCENTAGE OF INTEREST
Canadian NewCo	500	100%
<b>TOTAL</b>	<b>500</b>	<b>100%</b>





ARTICLE 3

Representations and Warranties related to the Colombian Shareholders

The Colombian Shareholders jointly and severally represent and warrant to the Canadian Shareholder and the Canadian NewCo, that as of the Execution Date, the following statements and representations are true, complete and correct, and they will remain true, complete and correct as of the Closing Date:

Section 3.1 Existence. The Colombian Shareholders are individuals of legal age and with legal capacity.

Section 3.2 Capacity and Authorizations. The Colombian Shareholders have full capacity to execute and perform this Agreement and the other Transaction Documents, and have all the legal authorizations necessary to perform the actions set forth in this Agreement. The Colombian Shareholders acknowledge and represent that this Agreement and the other Transaction Documents constitute legal, valid and legally binding obligations that are jointly and severally enforceable against any Colombian Shareholder.

Section 3.3 Non-Contravention.

(a) The execution and delivery of this Agreement and the other Transaction Documents by the Colombian Shareholders and the performance of the obligations hereunder and thereunder do not and will not (i) conflict with or breach any provision of the Organizational Documents of the Colombian Company, (ii) conflict with or breach any provision of any applicable Law, (iii) require any consent of or other action by any Person under, constitute a default or an event that, with or without notice or lapse of time or both, would constitute a default under, or cause or permit termination, cancellation, acceleration or other change of any right or obligation or the loss of any benefit under, any provision of any agreement or other instrument to which the Colombian Shareholders and/or the Colombian Company is a party (including any contracts) or any material Permit affecting the assets or Business of the Colombian Company or (iv) result in the creation or imposition of any Lien on any assets of the Colombian Company.

(b) The undertakings set forth in this Agreement do not contravene nor result in the breach of any applicable Law, judicial order, judicial resolution, judicial mandate, and ruling or in general, any order from a Governmental Authority.

(c) The Colombian Shareholders have obtained each and all legal authorizations necessary to execute and perform the Agreement and the other Transaction Documents, and their representatives have the capacity and the powers necessary therefor. In addition, they represent that they do not require authorizations, licenses, permits or legal, administrative, domestic or foreign orders in relation to the execution and performance of this Agreement and the other Transaction Documents.

(d) There is no Litigation pending against the Colombian Shareholders before any Governmental Authority which challenges or seeks to prevent, enjoin, alter or materially delay the execution of this Agreement or the transactions contemplated hereby.

ARTICLE 4

Representations and Warranties of the Colombian Company

The Colombian Shareholders and the Colombian Company jointly and severally represent and warrant to the Canadian Shareholder and the Canadian NewCo that, as of the Execution Date, the following statements and representations are true, complete and correct, and they will remain true, complete and correct as of the Closing Date:

Section 4.1 Existence. The Colombian Company is a corporation duly organized as a simplified stock corporation (*sociedad por acciones simplificada*), validly existing and in good standing under the Laws of Colombia, which holds the required corporate power and authority to carry on its Business as now conducted. The Colombian Shareholders have delivered to the Canadian Shareholder complete copies of the Organizational Documents of the Colombian Company as currently in effect, and the Colombian Company is not in violation of any provision of such Organizational Documents. The Colombian Company is not under insolvency, cessation of payments (*cesación de pagos*), bankruptcy, nor is party to composition proceedings, restructuring or reorganization, for the benefit of its creditors.

Section 4.2 Capacity and Authorizations. The Colombian Company has full capacity to execute and perform this Agreement and the other Transaction Documents, as well as it has all the authorizations necessary to perform the actions set forth in this Agreement. The Colombian Company and the Colombian Shareholders acknowledge and represent that this Agreement and the other Transaction Documents constitute legal, valid and legally binding obligations that are enforceable against the Colombian Company and/or the Colombian Shareholders.

Section 4.3 Capitalization; Title to Colombian Shares.

(a) The authorized, subscribed and paid capital of the Colombian Company is as follows:

CAPITAL	NUMBER OF SHARES	VALUE PER SHARE	TOTAL VALUE
Authorized Capital	500	COP\$500,000	COP\$250,000,000
Subscribed Capital	500	COP\$500,000	COP\$250,000,000
Paid Capital	500	COP\$500,000	COP\$250,000,000

(b) As of the Execution Date and as of the Closing Date (immediately prior to the actions set forth in Section 2.2), the shares of the Colombian Company are owned beneficially and of record by the Colombian Shareholders, free and clear of any encumbrance or Lien, as follows:

SHAREHOLDER	SHARES	PERCENTAGE OF INTEREST
Erika Zalez	200	40%
Rafael La Torre	200	40%
Mario Fernando Sánchez	50	10%
Yeny Rocio Jiménez Martínez	50	10%
<b>TOTAL</b>	<b>500</b>	<b>100%</b>

(c) Except as set forth in Section 4.3(a), there are no outstanding (i) shares of capital stock of, or other voting or equity interests in the Colombian Company, (ii) securities of the Colombian Company convertible into or exercisable or exchangeable for shares of capital stock of, or other voting or equity interests in the Colombian Company, (iii) options or other rights or agreements, commitments or understandings of any kind to acquire from the Colombian Company, or other obligation of the Colombian Shareholders or the Colombian Company to issue, transfer or sell, any shares of capital stock of, or other voting or equity interests in the Colombian Company or





securities convertible into or exercisable or exchangeable for shares of capital stock of, or other voting or equity interests in, the Colombian Company, (iv) voting trusts, proxies or other similar agreements or understandings to which the Colombian Shareholders or the Colombian Company is a party or by which the Colombian Shareholders or the Colombian Company is bound with respect to the voting of any shares of capital stock of, or other voting or equity interests in the Colombian Company or (v) contractual obligations or commitments of any character restricting the transfer of, or requiring the registration for sale of, any shares of capital stock of, or other voting or equity interests in, the Colombian Company (the items in clauses (i), (ii) and (iii) being referred to collectively as the "Colombian Issued Securities"). There are no outstanding obligations of the Colombian Company to repurchase, redeem or otherwise acquire any Colombian Issued Securities issued by the Colombian Company.

(d) The Colombian Company does not hold, either directly or indirectly, interests in the capital, nor any other economic interest, in other companies, entities, or corporations. The Colombian Company is not a party to any joint ventures.

(e) The Contributed Shares, when delivered to the Canadian NewCo in accordance with this Agreement, will be validly issued, fully paid and non-assessable and free of restrictions on transfer, and contributed in compliance with all applicable Laws.

Section 4.4 Non-Contravention.

(a) The execution and delivery of this Agreement and the other Transaction Documents by the Colombian Company and the performance of its obligations hereunder and thereunder do not and will not (i) conflict with or breach any provision of the Organizational Documents the Colombian Company, (ii) conflict with or breach any provision of any applicable Law, (iii) require any consent of or other action by any Person under, constitute a default or an event that, with or without notice or lapse of time or both, would constitute a default under, or cause or permit termination, cancellation, acceleration or other change of any right or obligation or the loss of any benefit under, any provision of any agreement or other instrument to which the Colombian Company is a party (including any material contracts) or any material Permit affecting the assets or Business of the Colombian Company or (iv) result in the creation or imposition of any Lien on any assets.

(b) The undertakings set forth in this Agreement do not contravene nor result in the breach of any applicable Law, judicial order, judicial resolution, judicial mandate, and ruling or in general, any order from a Governmental Authority.

(c) The Colombian Company has obtained each and every corporate and legal authorization necessary to execute and perform the Agreement and the other Transaction Documents, and its representatives have the capacity and the powers necessary therefor. In addition, the Colombian Company represents it does not require authorizations, licenses, permits or legal, administrative, domestic or foreign orders in relation to the execution and performance of this Agreement and the other Transaction Documents.

(d) There is no Litigation pending against the Colombian Company before any Governmental Authority which challenges or seeks to prevent, enjoin, alter or materially delay the execution of this Agreement or the transactions contemplated hereby.

Section 4.5 Legal Advice. The Colombian Company and the Colombian Shareholders have retained legal representation and advice from an independent attorney of their choice, and

they have the right and have had the opportunity to consult with their attorney regarding this Agreement and the other Transaction Documents. Their attorney has read and has explained in its entirety, the terms and conditions of this Agreement and of the other Transaction Documents and therefore, the Colombian Company and the Colombian Shareholders have knowledge of the content, the definitions, the intentions and the legal effects hereof and thereof, and therefore, the Colombian Company and the Colombian Shareholders represent and warrant that their respective legal representatives have the authorization to execute and perform this Agreement and the other Transaction Documents free of deceit, coercion or influence.

Section 4.6 Financial Statements. A copy of the Colombian Company's unaudited financial statements as of June 30, 2018, 2018 (the "Colombian Financial Statements") are attached to this Agreement as Exhibit 4. The Colombian Financial Statements are true, complete and correct and have been prepared in accordance with IFRS applied on a consistent basis (except as may be indicated in the notes thereto), are based on the books and records of the Colombian Company; and present fairly in all material respects the financial position of the Colombian Company at and for the respective period indicated.

Section 4.7 Disclosure of Information. (i) The information delivered to PHR in connection with the Colombian Company is true, complete and sufficient, and (ii) no material information known by the Colombian Company or by the Colombian Shareholders (or that by virtue of the provisions of the obligations and diligence imposed by the law to the managers and/or the shareholders of commercial companies they should know) has been omitted.

Section 4.8 Undisclosed Liabilities. The Colombian Company does not have any liabilities or obligations, whether known, unknown, absolute, accrued, contingent or otherwise and whether due or to become due, (b) liabilities and obligations disclosed or reserved against in the Financial Statements or specifically disclosed in the notes thereto, and (c) liabilities and obligations that (i) were incurred after the date of the Financial Statements in the ordinary course of business consistent with past practice; and (ii) individually and in the aggregate are not and would not reasonably be expected to be materially adverse to the Colombian Company.

Section 4.9 Absence of Certain Changes. As of the date of the Colombian Financial Statements, the business of the Colombian Company has been conducted in the ordinary course consistent with past practice and there has not been:

- (a) any event, development or state of circumstances that has had or would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect;
- (b) any declaration or payment of any dividend or other distribution with respect to any Colombian Company's Issued Securities, or any redemption or other acquisition by the Company of any Issued Securities;
- (c) capital reductions of the Colombian Company, by way of capital reimbursement or otherwise;
- (d) any amendment or modification of the Organizational Documents of the Colombian Company, or of the terms of any Colombian Company's Issued Securities;
- (e) any incurrence of any Indebtedness by the Colombian Company;



(f) any creation or other incurrence of any Lien on any Asset of the Colombian Company;

(g) any loan, advance or capital contribution to, or investment in, any Person by the Colombian Company;

(h) any change in any method of accounting or accounting principles or practices by the Colombian Company except for any such change required by reason of a concurrent change in IFRS;

(i) any (1) grant or payment of any severance or termination pay to (or amendment to any such existing arrangement with) any current or former director, officer, employee or independent contractor of the Colombian Company, (2) increase in benefits payable under any existing severance or termination pay policies or employment agreements, (3) establishment, adoption or amendment of any employment, severance, termination, retention or change of Control, deferred compensation or other similar agreement entered into with any director, officer or employee of the Colombian Company, (4) establishment, adoption or amendment of any collective bargaining (*convención colectiva o pacto colectivo*), bonus, profit-sharing, thrift, pension, retirement, deferred compensation, stock option, restricted stock or other benefit plan or arrangement covering any director, officer or employee of the Company, (5) amendment, modification or termination of any existing Benefit Plan of the Company in any manner that would increase the liability of the Colombian Company, (6) grant of any new Issued Securities to any director, employee or consultant of the Colombian Company, (7) acceleration of the vesting or payment of, or funding or in any other way securing the payment, compensation or benefits under, any Benefit Plan of the Colombian Company (8) other increases in salaries, bonuses or other compensation or benefits payable to any director, officer or employee of the Colombian Company, (9) formation of, or affiliation of Colombian Company employees or employees to trade unions, or (10) resignation or termination of employment of any officer or key employee of the Colombian Company;

(j) any Tax Return made or changed, any Tax refunds requested, any Tax claims presented, audits, any payment agreements entered into or concluded in regards to Tax claims, audits or determinations of Taxes, any rights to request Taxes have been waived (with notice or lapse of time or both), any compensation or any other right to reduce Tax liabilities, in each case, by the Colombian Company;

(k) any material payments made to, discounting in favor of, or any other consideration extended to customers or suppliers by the Colombian Company other than in the ordinary course of business consistent with past practice;

(l) any failure to pay or satisfy when due, any material liability of the Colombian Company;

(m) any sale, transfer, lease, exclusive license or other disposition of any Asset, except for inventory sold in the ordinary course of business consistent with past practice;

(n) any acquisition of share or assets of any other Person;

(o) any amendment, cancellation, compromise or waiver of any material claim, Litigation or right of the Colombian Company; or



(p) any agreement or commitment by the Colombian Company to do any of the foregoing or any action or omission by the Colombian Company that would reasonably be expected to result in any of the foregoing.

Section 4.10 Contracts.

(a) The Colombian Company is not a party to or bound by:

(i) any agreement relating to Indebtedness (whether incurred, assumed, guaranteed or secured by any Asset);

(ii) any joint venture, partnership, limited liability company, participation agreement (*cuentas en participación*), consortium, temporary union (*unión temporal*), or other similar agreements or arrangements (including other similar agreements regulated or non-regulated by Law);

(iii) any agreement, including any option agreement, relating to the acquisition or disposition of any business, capital stock or assets of any other Person or any material real property (whether by merger, sale of stock, sale of assets or otherwise);

(iv) any agreement that limits the freedom of the Colombian Company to compete in any line of business or with any Person or in any area;

(v) any agreement pursuant to which the Colombian Company shall be held liable, endorse or otherwise guarantee third parties' obligations or pursuant to which the Colombian Company assumed joint and several obligations;

(vi) any *fiducia mercantil* or *encargo fiduciario*;

(vii) any verbal agreements; or

(viii) any other agreement, commitment, arrangement or plan that is not made in the ordinary course of business and consistent with past practices.

(b) The Colombian Company has not engaged in the past three (3) months in any discussion with any representative of any Person regarding (i) a sale or exclusive license of all or substantially all of the Colombian Company's Assets, or (ii) any merger, consolidation or other business combination transaction of the Colombian Company with or into another Person.

Section 4.11 Colombian Assets.

(a) Title to Colombian Assets. The Colombian Company has good and valid (and, in the case of any owned real property, good, valid and marketable fee simple) title to, or otherwise have the right to use pursuant to a valid and enforceable lease, license or similar contractual arrangement, all of the assets (real and personal, tangible and intangible, including all Intellectual Property) that are used or held for use in connection with the Business or are reflected on the Colombian Financial Statements or were acquired after the on the date of the Colombian Financial Statements (collectively, the "Colombian Assets"); except for inventory sold in the ordinary course of business consistent with past practice, in each case free and clear of any Lien.



(b) Sufficiency of Colombian Assets. The Colombian Assets constitute all of the assets required for the due conduct of the Business. The plants, buildings, structures and material equipment included in the Colombian Assets are in good repair and operating condition, subject only to ordinary wear and tear, and are adequate and suitable for the purposes for which they are presently being used or held for use. There are no facts or conditions affecting any material Colombian Assets that would reasonably be expected, individually or in the aggregate, to interfere with the use, occupancy or operation of such Colombian Assets.

Section 4.12 Intellectual Property.

(a) Owned Intellectual Property. The Colombian Company owns or has the valid right to use all Intellectual Property owned or used by the Colombian Company in the operation of its Business. All Intellectual Property owned by the Colombian Company (the "Owned Intellectual Property") is registered or subject to an application for registration. The Colombian Company is the exclusive owner, free and clear of any Liens, of the Owned Intellectual Property. All Persons (including current and former employees and independent contractors) who create or contribute to Owned Intellectual Property have validly and irrevocably assigned to the Colombian Company in writing all of their rights therein that did not initially vest with the Colombian Company by operation of Law.

(b) No Infringement. The conduct of the Business does not infringe or otherwise conflict with the rights of any Person in respect of any Intellectual Property. None of the Owned Intellectual Property is being infringed or otherwise used or being made available for use by any Person without a license or permission from the Colombian Company.

(c) Protection of Intellectual Property. The Colombian Company has taken all actions reasonably necessary to ensure full protection of the Owned Intellectual Property under any applicable Law (including making and maintaining in full force and effect all necessary filings, registrations and issuances). The Colombian Company has taken all actions reasonably necessary to maintain the secrecy of all confidential Intellectual Property used in the Business. The Colombian Company is not using any Owned Intellectual Property in a manner that would reasonably be expected to result in the cancellation or unenforceability of such Owned Intellectual Property.

(d) Software, Data and Systems. No software owned or used by the Colombian Company contains or is derived from open source, shareware, freeware, "copyleft" or similar software. The Colombian Company is in compliance with all applicable contractual and legal requirements pertaining to data protection or information privacy and security, including any privacy policy concerning the collection or use of such data or information used in the Business. The internal information technology systems are in good repair and operating condition and are adequate and suitable for the purposes for which they are being used or held for use.

Section 4.13 Litigation. (a) There is no Litigation pending or threatened against or affecting the Colombian Company or any of the Colombian Assets, (b) there are no settlement agreements, and (c) there are no outstanding orders, judgments, stipulations, decrees, injunctions, determinations or awards issued by any Governmental Authority against or affecting the Colombian Company or any of the Colombian Assets.

Section 4.14 Compliance with Laws; Licenses and Permits.

(a) The Colombian Company is, and since its incorporation has been, in compliance in all material respects with applicable Laws and is not under investigation with respect to any

material violation of any applicable Laws. To the knowledge of the Colombian Company and the Colombian Shareholders no Laws have been proposed or enacted that would reasonably be expected to require a material modification in the manner in which the Business is conducted, either before or after the Closing Date.

(b) The Company has all licenses, franchises, permits, certificates, approvals or other similar authorizations issued by Governmental Authorities and affecting, or relating to, the Colombian Assets or required for the operation of the Business (the "Colombian Permits") other than the Cannabis License to carry out Cannabis Activities as such terms are further defined in Section 4.15 below.

(c) All Colombian Permits are valid and in full force and effect.

(d) The Colombian Company is not in default under, and no condition exists that with notice or lapse of time or both would constitute a default under the Colombian Permits.

(e) None of the Colombian Permits will be terminated or impaired or become terminable, in whole or in part, as a result of the transactions contemplated hereby.

Section 4.15 Cannabis License and Cannabis Activities. The Colombian Company has obtained the license listed in Exhibit 1 (the "Cannabis License") and which is currently in full force and effect and in accordance with its terms and conditions the Colombian Company is authorized to carry out the activities listed in said Exhibit 1 (the "Cannabis Activities").

Section 4.16 Environmental Matters.

(a) The Colombian Company has complied and is in compliance in all respects with all applicable Environmental Laws and has obtained and is in compliance in all respects with all applicable Environmental Permits. No notice of violation, notification of liability or potential liability or request for information has been received by the Colombian Company relating to or arising out of any Environmental Law. No order has been issued and is currently in effect, no penalty or fine has been assessed, involving the Colombian Company relating to or arising out of any Environmental Law.

(b) No release of Hazardous Substances has occurred at, on, above, under or from any properties currently or formerly owned, leased, operated or used by the Colombian Company or any predecessors in interest that has resulted or would reasonably be expected to result in any Remedial Action.

(c) Neither the Colombian Company nor any other Person has caused or taken any action that would reasonably be expected to result in any liability or obligation relating to (i) the environmental conditions at, on, above, under or about any properties or assets currently or formerly owned, leased, operated or used by the Colombian Company or any predecessors in interest or (ii) the past or present use, management, handling, transport, treatment, generation, storage, disposal, release or threatened release of, or exposure to, Hazardous Substances.

Section 4.17 Employees: Labor Matters.

(a) Exhibit 5 contains a list of all individuals who are employees, independent contractors or consultants of the Colombian Company as of the date hereof, and sets forth for each such Person the following: (i) name; (ii) title or position (including whether full or part time); (iii)





date of contract; (iv) current annual base compensation rate and (v) commission, bonus or other incentive or non-incentive based compensation.

(b) The Colombian Company is, and since its incorporation has been, in compliance in all respects with (i) the terms and conditions set forth in each of the labor agreements entered into with their corresponding employees, including with respect to wages and working hours, (ii) all applicable Laws relating to employees' remuneration, licenses, working visas, working permits, affiliations and contributions to health, pensions and occupational risks and occupational health, occupational safety and health and occupational risk prevention and (iii) any benefit plans currently in force. The Colombian Company is not under investigation with respect to, nor has been notified of a claim for, any breach, violation or failure to comply with any of the items in (i), (ii) or (iii) herein, or unfair labor practices, employment discrimination and harassment.

(c) The Colombian Company is not a party to any labor agreement or collective bargaining agreement (either directly or indirectly or as a result of its participation in any employers' association) with respect to its employees with any union, labor organization, labor association or group. No employee unions, no labor organization or group of employees of the Colombian Company has made any demand for recognition of the union, filed a petition seeking a union recognition process, or has given the Colombian Company notice of any intention to hold an election of a union representative or collective agreement (*pacto o convención colectiva*). The Colombian Company has not authorized any employer association or multi-employer organization to represent it in a collective bargaining agreement with any labor organization.

(d) Neither the Colombian Shareholders nor the Colombian Company, prior to the Closing, nor the Affiliates of any of the foregoing, are under neither any investigation nor have they received a notice to initiate a proceeding, to declare a business unit (*unidad de empresa*).

(e) The Colombian Company is not in the process of negotiating any collective bargaining agreement (*pacto o convención colectiva*), nor the Colombian Shareholders or any director, officer, employee of the Colombian Company are a party to any settlement agreement requiring the Colombian Company to negotiate or to enter into a collective bargaining agreement (*pacto o convención colectiva*).

(f) All of the employees of the Colombian Company may be terminated by the Colombian Company as the case may be, at any time without cause (unless otherwise provided pursuant to applicable Laws), without any penalties, payments or compensation becoming due to the relevant employee other than as set forth in applicable Laws.

(g) All individuals who are or have been rendering services and are or have been hired by the Colombian Company as "independent contractors" have acted with technical, administrative and financial autonomy, at their own risk. The Colombian Company has periodically verified the affiliation and payment of the contributions to the integral social security system in accordance with applicable Laws. Each individual who is or has been rendering services to the Colombian Company has, at all times, been accurately classified by the Colombian Company, as the case may be, with respect to such services as an employee or a non-employee.

(h) The Colombian Company is, and since its incorporation has been, in compliance in all material respects with all payments and contributions to SENA (*Servicio Nacional de Aprendizaje*), Cajas de Compensación Familiar, ICBF (*Instituto Colombiano de Bienestar Familiar*) and FOSYGA (*Fondo de Solidaridad y Garantía*).

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(i) Without limiting the generality of the foregoing, no employee of the Colombian Company shall receive, nor shall it be entitled to receive, from the Colombian Company, premiums, payments or any other consideration, in connection with the execution of this Agreement or the completion of the transactions contemplated hereby.

Section 4.18 Tax Matters.

(a) All Tax Returns required to be filed on or before the Closing Date by the Colombian Company have been, or will be, timely filed. Such Tax Returns are, or will be, true, complete and correct in all respects. All Taxes due and owing by the Colombian Company (whether or not shown on any Tax Return) have been, or will be, timely paid and appropriate reserves for Taxes are reflected in the Financial Statements.

(b) The Colombian Company has withheld and paid each Tax required to have been withheld and paid.

(c) The Colombia Company has complied with all applicable information reporting, transfer-pricing rules and reporting and withholding requirements with respect to Taxes.

(d) No deficiencies for any Taxes of the Colombian Company have been proposed, asserted or assessed in writing against the Colombian Company by any Governmental Authority, which remain unresolved or unpaid.

(e) There are no Liens for Taxes on any Colombian Asset of the Colombian Company.

(f) There are no outstanding agreements, waivers or arrangements extending the statute of limitations with respect to any of the Colombian Company's Taxes in effect.

(g) No written claim for Taxes has been asserted against the Colombian Company by a Governmental Authority in any jurisdiction.

(h) There are no proceedings, initiated or threatened in writing by a Governmental Authority against the Colombian Company with respect to Taxes.

(i) The Colombian Company is not subject to local income or withholding taxation in any jurisdiction, other than the jurisdiction in which it is incorporated.

(j) All records which the Colombian Company is required to keep for Tax purposes or which would be needed to substantiate any claim made or position taken in relation to any Tax by the Colombian Company are true, complete and correct in all respects and have been duly kept and are available for inspection.

Section 4.19 Insurance. Exhibit 6 lists all insurance policies relating to the Colombian Assets, the Business or the employees, officers or directors of the Colombian Company. There is no claim by or with respect to the Colombian Company pending under any of such policies as to which coverage has been questioned, denied or disputed by the underwriters of such policies or in respect of which such underwriters have reserved their rights. All premiums payable under such policies have been timely paid, and the Colombian Shareholders and the Colombian Company have otherwise complied fully with the terms and conditions of such policies. Such policies (or other policies providing substantially similar insurance coverage) have been in effect continuously since the incorporation of the Colombian Company and remain in full force and effect. Such policies are of



the type and in amounts customarily carried by Persons conducting businesses similar to those of the Colombian Company and are sufficient for compliance with all applicable Laws. Since the time any such policies were last renewed or issued, there has not been any threatened termination of, premium increase with respect to, or alteration of coverage under, any of such policies.

Section 4.20 Certain Compliance Matters.

(a) Neither the Colombian Company, nor its shareholders, Affiliates, or any manager, employee, representative or Person, acting on behalf or by mandate of the Colombian Company or the Colombian Shareholders, is or has been the subject of any actions, Litigations, investigation, inquiry or collection proceedings, by any Governmental Authority or by any Person regarding any offence or alleged offence under the applicable Laws against bribery, corruption, money laundering or illegal payments, bribes, illegal political contributions, similar statutes, rules and regulations, including Colombian Law 1474 of 2011 and 1778 of 2016, the U.S. Foreign Corrupt Practices Act, the French Law Sapin II and the UK Bribery Act 2010. No investigation, inquiry or proceedings has been notified, is pending and there are no circumstances that may give rise to any such action, Litigation, investigation, inquiry or proceedings.

(b) The Colombian Company and the Colombian Shareholders have in place all the adequate procedures to prevent any conduct referred in Section 4.20(a).

(c) Without limiting the generality of the foregoing, the Colombian Company, nor its shareholders, Affiliates, or any manager, employee, representative or Person, acting on behalf or by mandate of the Colombian Company or the Colombian Shareholders has corruptly or otherwise offered, paid, promised to pay, or authorized the payment of any money, or offered, given, promised to give, or authorized the giving of anything of value to: (i) any governmental or similar officer for purposes of (1) (A) influencing any act or decision of such officer in his or her official capacity, (B) inducing such officer to do or omit to do any act in violation of the lawful duty of such officer, or (C) securing any improper advantage; or (2) inducing such officer to use his or her influence with a Governmental Authority with the purpose of affecting or influencing any act or decision of such Governmental Authority; or (ii) any Person, while knowing that all or a portion of such money or thing of value will be offered, given, or promised, directly or indirectly, to any officer, political party or officer thereof, or to any candidate running for public office, for purposes of (1) (A) influencing any act or decision of such officer, political party or officer thereof, or to any candidate in his or her or capacity as official officer, (B) inducing such officer, political party, political party officer or candidate to do or omit to do any act in violation of the lawful duty of such officer, political party, political party officer or candidate, or (C) securing any improper advantage; or (2) inducing such officer, political party, political party officer or candidate to use his or her or its influence with a Governmental Authority to affect or influence any act or decision of such Governmental Authority. No false or fictitious entries have been made in the books or records of the Colombian Company or of the Colombian Shareholders relating to any offer, payment, promise to pay or authorization of payment of any money, or offer, gift, promise to give or authorization for the giving of anything of value, including any bribe, kickback or any other illegal or improper payment, and the Colombian Company and the Colombian Shareholders have not established or kept a secret or unrecorded fund.

(d) Neither the Colombian Company, nor its shareholders, Affiliates, managers, officers, employees or representatives is or have been (i) identified in the U.S. Department of Treasury Office of Foreign Assets Control ("OFAC") list of specially designated nationals and blocked persons; (ii) owned or Controlled by, or acting on behalf of, a Person or entity appearing in the list of specially designated nationals and blocked persons; (iii) otherwise the target of economic sanctions



imposed by OFAC; or (iv) owned or Controlled by, or affiliated to, or acting on behalf of, a Person or entity that is otherwise the target of economic sanctions imposed by OFAC.

Section 4.21 Cause. Without limiting the generality of any other provision in this Agreement, the Colombian Shareholders and the Colombian Company acknowledge that the representations and warranties made or deemed made by the Colombian Shareholders and the Colombian Company in or pursuant to this Agreement constitute a fundamental element of this Agreement for the Canadian Shareholder and the Canadian NewCo and the determining cause for the Canadian Shareholder and the Canadian NewCo to enter into this Agreement, and therefore, subject to the provisions set forth in Article 8, the Colombian Shareholders and the Colombian Company have agreed to indemnify the Canadian Shareholder and the Canadian NewCo for any inaccuracy in or breach of any such representation or warranty.

Section 4.22 Disclosure. No representation or warranty by the Colombian Shareholders or the Colombian Company in this Agreement contains any untrue statement of a material fact, or omits to state a material fact necessary to make the statements contained therein, in light of the circumstances in which they are made, not misleading.

#### ARTICLE 5

##### Representations and Warranties related to the Canadian Shareholder

The Canadian Shareholder represents and warrants to the Colombian Shareholders and the Colombian Company, that as of the Execution Date, the following statements and representations are true, complete and correct, and they will remain true, complete and correct as of the Closing Date:

Section 5.1 Existence. The Canadian Shareholder is a corporation duly incorporated and existing under the federal laws of Canada.

Section 5.2 Capacity and Authorizations. The Canadian Shareholder has full capacity to execute and perform this Agreement and the other Transaction Documents, and has all the legal authorizations necessary to perform the actions set forth in this Agreement. The Canadian Shareholder acknowledges and represents that this Agreement and the other Transaction Documents constitute legal, valid and legally binding obligations that are enforceable against the Canadian Shareholder.

Section 5.3 Non-Contravention.

(a) The execution and delivery of this Agreement and the other Transaction Documents by the Canadian Shareholder and the performance of the obligations hereunder and thereunder do not and will not (i) conflict with or breach any provision of the Organizational Documents of the Canadian NewCo, (ii) conflict with or breach any provision of any applicable Law, (iii) require any consent of or other action by any Person under, constitute a default or an event that, with or without notice or lapse of time or both, would constitute a default under, or cause or permit termination, cancellation, acceleration or other change of any right or obligation or the loss of any benefit under, any provision of any agreement or other instrument to which the Canadian Shareholder and/or the Canadian NewCo is a party (including any material contracts) or any material Permit affecting the assets or Business of the Canadian NewCo or (iv) result in the creation or imposition of any Lien on any assets.



(b) The undertakings set forth in this Agreement do not contravene nor result in the breach of any applicable Law, judicial order, judicial resolution, judicial mandate, and ruling or in general, any order from a Governmental Authority.

(c) The Canadian Shareholder has obtained each and all legal authorizations necessary to execute and perform the Agreement and the other Transaction Documents, and its representatives have the capacity and the powers necessary therefor. In the Canadian Shareholder represents that it does not require authorizations, licenses, permits or legal, administrative, domestic or foreign orders in relation to the execution and performance of this Agreement and the other Transaction Documents.

(d) There is no Litigation pending against the Canadian Shareholder before any Governmental Authority which challenges or seeks to prevent, enjoin, alter or materially delay the execution of this Agreement or the transactions contemplated hereby.

ARTICLE 6  
Representations and Warranties of the Canadian NewCo

The Canadian Shareholder and the Canadian NewCo jointly and severally represent and warrant to the Colombian Shareholders and the Colombian Company that, as of the Execution Date, the following statements and representations are true, complete and correct, and they will remain true, complete and correct as of the Closing Date:

Section 6.1 Existence. The Canadian NewCo is a corporation duly organized as a corporation, validly existing and in good standing under the federal laws of Canada which holds the required corporate power and authority to carry on its Business as now conducted. The Canadian Shareholder has delivered to the Colombian Shareholders complete copies of the Organizational Documents of the Canadian NewCo as currently in effect, and the Canadian NewCo is not in violation of any provision of such Organizational Documents. The Canadian NewCo is not under insolvency, cessation of payments, bankruptcy, nor is party to composition proceedings, restructuring or reorganization, for the benefit of its creditors.

Section 6.2 Capacity and Authorizations. The Canadian NewCo has full capacity to execute and perform this Agreement and the other Transaction Documents, as well as it has all the authorizations necessary to perform the actions set forth in this Agreement. The Canadian NewCo and the Canadian Shareholder acknowledge and represent that this Agreement and the other Transaction Documents constitute legal, valid and legally binding obligations that are enforceable against the Canadian NewCo and/or the Canadian Shareholder.

Section 6.3 Capitalization: Title to Canadian Shares.

(a) The authorized, subscribed, paid and outstanding capital of the Canadian NewCo is as follows:

CAPITAL	NUMBER OF SHARES	VALUE PER SHARE	TOTAL VALUE
Authorized Capital	Unlimited number of Preferred A Shares, Preferred B Shares, Preferred C Shares, Preferred D Shares, Preferred E Shares, Preferred F Shares, Preferred G Shares, Preferred H Shares, Class A Common Shares,		



Class B Common Shares, Class C  
Common Shares, Class D Common  
Shares and Class E Common Shares.

Subscribed Capital	5,100,000 Class A Common	\$0.00001 CAD	\$51.00 CAD
Paid Capital	5,100,000 Class A Common	\$0.00001 CAD	\$51.00 CAD
Outstanding Shares	5,100,000 Class A Common	\$0.00001 CAD	\$51.00 CAD

(b) As of the Execution Date and as of the Closing Date (immediately prior to the actions set forth in Section 2.2), the shares of the Canadian NewCo are owned beneficially and of record by the Canadian Shareholder, free and clear of any encumbrance or Lien, as follows:

SHAREHOLDER	SHARES	PERCENTAGE OF INTEREST
Canadian Shareholder	5,100,000 Class A	100%
<b>TOTAL</b>	<b>5,100,000 Class A</b>	<b>100%</b>

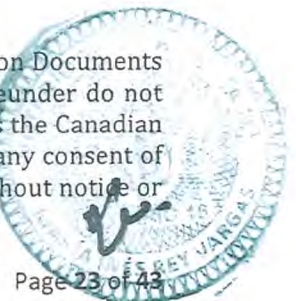
(c) Except as set forth in Section 6.3(a), there are no outstanding (i) shares of capital stock of, or other voting or equity interests in the Canadian NewCo, (ii) securities of the Canadian NewCo convertible into or exercisable or exchangeable for shares of capital stock of, or other voting or equity interests in the Canadian NewCo, (iii) options or other rights or agreements, commitments or understandings of any kind to acquire from the Canadian NewCo, or other obligation of the Canadian Shareholder or the Canadian NewCo to issue, transfer or sell, any shares of capital stock of, or other voting or equity interests in the Canadian NewCo or securities convertible into or exercisable or exchangeable for shares of capital stock of, or other voting or equity interests in, the Canadian NewCo, (iv) voting trusts, proxies or other similar agreements or understandings to which the Canadian Shareholder or the Canadian NewCo are a party or by which the Canadian Shareholder or the Canadian NewCo are bound with respect to the voting of any shares of capital stock of, or other voting or equity interests in the Canadian NewCo or (v) contractual obligations or commitments of any character restricting the transfer of, or requiring the registration for sale of, any shares of capital stock of, or other voting or equity interests in, the Canadian NewCo (the items in clauses (i), (ii) and (iii) being referred to collectively as the "NewCo Issued Securities"). There are no outstanding obligations of the Canadian NewCo to repurchase, redeem or otherwise acquire any NewCo Issued Securities issued by the Canadian NewCo.

(d) The Canadian NewCo does not hold, either directly or indirectly, interests in the capital, nor any other economic interest, in other companies, entities, or corporations. The Canadian NewCo is not a party to any joint ventures.

(e) The Contributed Shares, when delivered to the Canadian NewCo in accordance with this Agreement, will be validly issued, fully paid and non-assessable and free of restrictions on transfer, and contributed in compliance with all applicable Laws.

Section 6.4 Non-Contravention.

(a) The execution and delivery of this Agreement and the other Transaction Documents by the Canadian NewCo and the performance of its obligations hereunder and thereunder do not and will not (i) conflict with or breach any provision of the Organizational Documents the Canadian NewCo, (ii) conflict with or breach any provision of any applicable Law, (iii) require any consent of or other action by any Person under, constitute a default or an event that, with or without notice or



lapse of time or both, would constitute a default under, or cause or permit termination, cancellation, acceleration or other change of any right or obligation or the loss of any benefit under, any provision of any agreement or other instrument to which the Canadian NewCo is a party (including any material contracts) or any material Permit affecting the assets or Business of the Canadian NewCo or (iv) result in the creation or imposition of any Lien on any assets.

(b) The undertakings set forth in this Agreement do not contravene nor result in the breach of any applicable Law, judicial order, judicial resolution, judicial mandate, and ruling or in general, any order from a Governmental Authority.

(c) The Canadian NewCo has obtained each and every corporate and legal authorization necessary to execute and perform the Agreement and the other Transaction Documents, and its representatives have the capacity and the powers necessary therefor. In addition, the Canadian NewCo represents it does not require authorizations, licenses, permits or legal, administrative, domestic or foreign orders in relation to the execution and performance of this Agreement and the other Transaction Documents.

(d) There is no Litigation pending against the Canadian NewCo before any Governmental Authority which challenges or seeks to prevent, enjoin, alter or materially delay the execution of this Agreement or the transactions contemplated hereby.

Section 6.5 Legal Advice. The Canadian NewCo and the Canadian Shareholder have retained legal representation and advice from an independent attorney of their choice, and they have the right and have had the opportunity to consult with their attorney regarding this Agreement and the other Transaction Documents. Their attorney has read and has explained in its entirety, the terms and conditions of this Agreement and of the other Transaction Documents and therefore, the Canadian NewCo and the Canadian Shareholder have knowledge of the content, the definitions, the intentions and the legal effects hereof and thereof, and therefore, the Canadian NewCo and the Canadian Shareholder represent and warrant that their respective legal representatives have the authorization to execute and perform this Agreement and the other Transaction Documents free of deceit, coercion or influence.

Section 6.6 Assets. Canadian NewCo is recently incorporated, has carried on no business and has no assets or liabilities other than the share capital and Loan proceeds received from the Canadian Shareholder referred to in Section 2.2(a)(iv).

Section 6.7 Disclosure of Information. (i) The information delivered to the Canadian Shareholder in connection with the Canadian NewCo is true, complete and sufficient, and (ii) no material information known by the Canadian NewCo or by the Canadian Shareholder (or that by virtue of the provisions of the obligations and diligence imposed by the law to the managers and/or the shareholders of commercial companies they should know) has been omitted.

Section 6.8 Disclosure. No representation or warranty by the Canadian Shareholder or the Canadian NewCo in this Agreement contains any untrue statement of a material fact, or omits to state a material fact necessary to make the statements contained therein, in light of the circumstances in which they are made, not misleading.

ARTICLE 7  
Conditions Precedent and Subsequent Obligations



Section 7.1 Conditions. The obligation of the Canadian NewCo to issue and offer the Subscribed NewCo Shares to the Colombian Shareholders and the simultaneous obligation of the Colombian Shareholders to contribute to the Canadian NewCo the Contributed Shares are subject to the fulfilment, to the satisfaction of the Canadian Shareholder of each and all of the conditions below:

(a) Representations and Warranties of the Parties. The representations and warranties of the Parties set forth in this Agreement shall be true and correct in each case (i) and (ii) at and as of the date hereof and at and as of the Closing Date with the same effect as though made at and as of the Closing Date.

(b) Consents and Approvals. The Parties shall have submitted all necessary filings and notices, and received all required authorizations, approvals and consents to execute and perform the Transaction Documents.

(c) Compliance Certificate. The legal representative of the Colombian Company shall deliver to the Investor a certificate certifying that the conditions specified in Section 7.1(a) and Section 7.1(g) above have been fulfilled.

(d) No Litigation. No Litigation shall have been filed and be pending, no Governmental Authority shall have notified the Colombian Company or the Colombian Shareholders of its intention to commence, or recommend the commencement of, Litigation and no Law shall have been enacted, entered, enforced, promulgated or issued with respect to, or deemed applicable to, which in any case seeks or purports to challenge, prohibit, interfere with, limit, delay, restrain, impose damages or other material obligations in connection with or increase the cost of, the completion of the transactions contemplated by this Agreement and the other Transaction Documents. No Law shall, as of the Closing Date, be sanctioned, promulgated or in force, of which application may result in the restriction, prohibition, interference, limitation, or the imposition of compensations or indemnifications to the acquisition, ownership and/or exercise of the voting and economic rights over the Contributed Shares, or over the operations of the Colombian Company.

(e) No Material Adverse Effect. No event, occurrence, fact, condition, change, development or effect shall exist or have occurred or come to exist or been threatened since the Financial Statements date that, individually or in the aggregate, has resulted in, or would reasonably be expected to result in, a Material Adverse Effect.

(f) Deliverables of the Current Shareholders and the Company. Each of the Colombian Shareholders and the Colombian Company' deliverables set forth in Section 2.2 shall have been delivered at the Closing.

(g) Performance. The Colombian Shareholders and the Colombian Company shall have duly performed and complied with all agreements, covenants and conditions required by this Agreement to be performed or complied with by the Colombian Shareholders and the Colombian Company at or prior to the Closing.

#### ARTICLE 8 Indemnification

Section 8.1 Indemnification. From and after the Closing Date, and subject to the provisions of this Article 8, any Party (the "Indemnifying Party") agrees to indemnify fully, hold harmless and defend the other Parties (the "Indemnified Parties"), their Shareholders, legal





representatives, directors, officers, consultants, employees and their respective Affiliates, and each of their respective successors and permitted assigns, as the case may be, (collectively, the "Indemnitees") from and against all and any Losses suffered and incurred by any Indemnitees arising out of or resulting from:

(a) Any inaccuracy in or breach of any representation or warranty when made or deemed made by any Indemnified Party in, or pursuant, to this Agreement, its exhibits, annexes or other writing deliverables by the corresponding Indemnified Party to this Agreement;

(b) Any failure by the Indemnifying Party to perform or otherwise fulfill any undertaking, covenant, agreement or obligation of the Indemnifying Party contained in this Agreement and in any other Transaction Documents;

(c) Any Taxes of the Indemnifying Party relating to any period prior to the Closing Date;

(d) Any liability or obligation incurred or suffered by, or any penalty or sanction imposed over, the Indemnifying Party or any Indemnitee arising from or in connection with the regulations for the treatment of personal data provided under applicable Law, including, without limiting the generality of the foregoing, the lack of authorization of the Indemnifying Party's employees for the collection and use of their personal data prior to Closing;

Section 8.2 Responsibility of the Indemnifying Parties. As from the Closing Date and thereafter, the respective Indemnifying Party agrees and undertakes to indemnify the Indemnified Parties in full against any and all Losses suffered by or incurred in by the latter as a result of fraud, willful misconduct, negligence, induction to error or breach of this Agreement or of any other Transaction Documents by any Indemnifying Party

Section 8.3 Indemnification Procedures.

(a) Third Party Claims. If any Indemnified Party receives notice of the assertion or commencement of any Litigation made or brought by any Person who is not a party to this Agreement or an Affiliate of a party to this Agreement, or a representative of the foregoing (a "Third Party Claim") against such Indemnified Party with respect to which the Indemnifying Party is obligated to provide indemnification under this Agreement, the Indemnified Party shall give the Indemnifying Party reasonably prompt written notice thereof, but in any event not later than thirty (30) days after receipt of such notice of such Third Party Claim. The failure to give such prompt written notice shall not, however, relieve the Indemnifying Party of its indemnification obligations, except and only to the extent that the Indemnifying Party forfeits rights or defenses by reason of such failure. Such notice by the Indemnified Party shall describe the Third Party Claim in reasonable detail, shall include copies of all material written evidence thereof and shall indicate the estimated amount, if reasonably practicable, of the Loss that has been or may be sustained by the Indemnified Party. The Indemnifying Party shall have the right to participate in, or by giving written notice to the Indemnified Party, to assume the defense of any Third Party Claim at the Indemnifying Party's expense and by the Indemnifying Party's own counsel, and the Indemnified Party shall cooperate in good faith in such defense; provided, that if the Indemnifying Party is the Current Shareholders, such Indemnifying Party shall not have the right to defend or direct the defense of any such Third Party Claim that (i) is asserted directly by or on behalf of a Person that is a supplier or customer of the Company, (ii) seeks an injunction or other equitable relief against the Indemnified Party, or (iii) is related to the Intellectual Property of the Company. In the event that the Indemnifying Party assumes the defense of any Third Party Claim, subject to Section 8.3 (b), it shall have the right to take such action as it deems necessary to avoid, dispute, defend, appeal or

make counterclaims pertaining to any such Third Party Claim in the name and on behalf of the Indemnified Party, for which purpose the Indemnified Party shall grant the relevant proxies. The Indemnified Party shall have the right to participate in the defense of any Third Party Claim with counsel selected by it subject to the Indemnifying Party's right to control the defense thereof. The fees and disbursements of such counsel shall be at the expense of the Indemnified Party, provided, that if in the reasonable opinion of counsel to the Indemnified Party, (i) there are legal defenses available to an Indemnified Party that are different from or additional to those available to the Indemnifying Party; or (ii) there exists a conflict of interest between the Indemnifying Party and the Indemnified Party that cannot be waived, the Indemnifying Party shall be liable for the reasonable fees and expenses of counsel to the Indemnified Party in each jurisdiction for which the Indemnified Party determines counsel is required. If the Indemnifying Party elects not to compromise or defend such Third Party Claim, fails to promptly notify the Indemnified Party in writing of its election to defend as provided in this Agreement, or fails to diligently prosecute the defense of such Third Party Claim, the Indemnified Party may, subject to Section 8.3(b), pay, compromise or defend such Third Party Claim and seek indemnification for any and all Losses based upon, arising from or relating to such Third Party Claim. The Parties shall cooperate with each other in all reasonable respects in connection with the defense of any Third Party Claim, including making available (subject to the provisions of Section 10.6) records relating to such Third Party Claim.

(b) Settlement of Third Party Claims. Notwithstanding any other provision of this Agreement, the Indemnifying Party shall not enter into any settlement of any Third Party Claim (the "Settlement") without the prior written consent of the Indemnified Party, except as provided in this Section 1.1(b). If a firm offer is made for a Settlement without leading to liability or the creation of a financial or other obligation on the part of the Indemnified Party and provides, in customary form, for the unconditional release of each Indemnified Party from all liabilities and obligations in connection with such Third Party Claim and the Indemnifying Party desires to accept and agree to such offer for Settlement, the Indemnifying Party shall give written notice to that effect to the Indemnified Party. If the Indemnified Party fails to consent to such Settlement offer within ten (10) days after its receipt of such Settlement notice, the Indemnified Party may continue to contest or defend such Third Party Claim and in such event, the maximum liability of the Indemnifying Party as to such Third Party Claim shall not exceed the amount of such Settlement offer. If the Indemnified Party fails to consent to such Settlement offer and also fails to assume defense of such Third Party Claim, the Indemnifying Party may settle the Third Party Claim upon the terms set forth in such Settlement offer to settle such Third Party Claim. If the Indemnified Party has assumed the defense pursuant to Section 8.3(a), it shall not agree to any Settlement without the written consent of the Indemnifying Party (which consent shall not be unreasonably withheld or delayed).

(c) Direct Claims. Any claim by an Indemnified Party on account of a Loss which does not result from a Third Party Claim (a "Direct Claim") shall be asserted by the Indemnified Party giving the Indemnifying Party reasonably prompt written notice thereof, but in any event not later than thirty (30) days after the Indemnified Party becomes aware of such Direct Claim. The failure to give such prompt written notice shall not, however, relieve the Indemnifying Party of its indemnification obligations, except and only to the extent that the Indemnifying Party forfeits rights or defenses by reason of such failure. Such notice by the Indemnified Party shall describe the Direct Claim in reasonable detail, shall include copies of all material written evidence thereof and shall indicate the estimated amount, if reasonably practicable, of the Loss that has been or may be sustained by the Indemnified Party. The Indemnifying Party shall have thirty (30) days after its receipt of such notice to respond in writing to such Direct Claim. The Indemnified Party shall allow the Indemnifying Party and its professional advisors to investigate the matter or circumstance alleged to give rise to the Direct Claim, and whether and to what extent any amount is payable in



respect of the Direct Claim and the Indemnified Party shall assist the Indemnifying Party's investigation by giving such information and assistance (including access to the Company's premises and personnel and the right to examine and copy any accounts, documents or records) as the Indemnifying Party or any of its professional advisors may reasonably request subject to the provisions of Section 10.6. If the Indemnifying Party does not so respond within such thirty (30) day period, the Indemnifying Party shall be deemed to not have objected such claim, in which case the Indemnified Party shall be free to pursue such remedies as may be available to the Indemnified Party on the terms and subject to the provisions of this Agreement.

Section 8.4 Payments. Once a Loss is agreed to by the Indemnifying Party or finally adjudicated to be payable pursuant to this Article 8 and Section 10.4 if applicable, the Indemnifying Party shall satisfy its obligations to the Indemnified Party (or to the Person designated by the Indemnified Party) within fifteen (15) Business Days of such final, non-appealable adjudication by wire transfer of immediately available funds. The Parties hereto agree that should an Indemnifying Party not make full payment of any such obligations within such fifteen (15) Business Days period, any amount payable shall accrue interest from and including the date of agreement of the Indemnifying Party or final, non-appealable adjudication to and including the date such payment has been made at a rate per annum equal to the lower of (i) twenty per cent (20%) of the amount payable or (ii) the maximum interest rate permissible under applicable law. Such interest shall be calculated daily on the basis of a three hundred sixty (360) day year and the actual number of days elapsed. Effect of Investigation. The representations, warranties and covenants of the Indemnifying Party, and the Indemnified Party's right to indemnification with respect thereto, shall survive the execution and delivery of this Agreement and the Closing and shall not be affected or deemed waived by reason of any investigation, audits or due diligence processes made or conducted by or on behalf of the Indemnified Party (including by any of its representatives, agents or advisors) or by reason of the fact that the Indemnified Party or any of its representatives knew or should have known that any such representation or warranty is, was or might be inaccurate or by reason of the Indemnified Party's waiver of any condition set forth in Section 7.1.  
Termination.

Section 9.1 Events of Termination. This Agreement may be terminated at any time prior to the Closing Date: by the written agreement of the Parties;

(b) by either Party by notice to the other Party, if:

(i) the Closing shall not have been completed on or before October 31, 2018 (the "End Date"), provided, however, that the right to terminate this Agreement pursuant to this Section 9.1 (b) (i) shall not be available to any Party whose breach of any provision of this Agreement results in the failure of the Closing to be completed by such time; or

(ii) (1) there shall be any Law that makes completion of the Closing illegal or otherwise prohibited or (2) any judgment, injunction, order or decree of any Governmental Authority having competent jurisdiction enjoining the Parties from completing the Closing is entered and such judgment, injunction, order or decree shall have become final and non-appealable.

(c) by the Canadian NewCo and/or the Canadian Shareholder if by the End Date, the Colombian Company:

(i) has been notified of any administrative and/or judicial act whereby the Cannabis License listed in Exhibit 1 has ceased to be in full force and effect;

(ii) has not yet been notified by the competent Governmental Authority of the approval of the modification of the Cannabis License listed in Exhibit 1 as requested by the Colombian Company;

(iii) has failed to obtain all the Pending Cannabis Licenses listed in Exhibit 2 and said Pending Cannabis Licenses have not yet entered into full force and effect (*ejecutoriadas*),

Section 9.2 Effects of Termination.

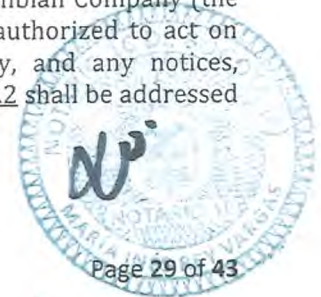
(a) If this Agreement is terminated pursuant to Section 9.1, this Agreement shall automatically be void and of no effect without any judicial or extrajudicial order being necessary, to which the parties expressly waive, and, without liability of any party (or any of its directors, officers, employees, shareholders, Affiliates, agents, representatives or advisors) to the other Party hereto, provided, however, that no such termination shall relieve either Party of liability for a breach of this Agreement. The provisions of Article 1 (Definitions and Construction), Section 10.6 (Confidentiality), Section 10.2 (Notices), Section 10.3 (Applicable Law) and Section 10.10 (Specific Performance) shall survive any termination hereof.

(b) Without prejudice of the foregoing, if this Agreement is terminated pursuant to Section 9.1(b), the Canadian NewCo and/or the Canadian Shareholder will be entitled to repurchase, and the Colombian Shareholders shall be jointly and severally obligated to sell, the Subscribed NewCo Shares at a price of \$0.00001 per share and the Canadian Shareholder and/or the Canadian NewCo will be entitled to demand the full repayment by the Colombian Company and/or Colombian Shareholders of any disbursed amount under the Loan plus the applicable interest.

ARTICLE 10  
Miscellaneous

Section 10.1 Sole Representatives of the Parties. Erika Zalez is appointed as the sole representative of the Colombian Shareholders (the "Sole Representative of the Colombian Shareholders"), and is herein expressly authorized to act on behalf and in representation of the interests of the Colombian Shareholders, and any notices, authorizations and communications referred to under the following Section 10.2 shall be addressed thereto.

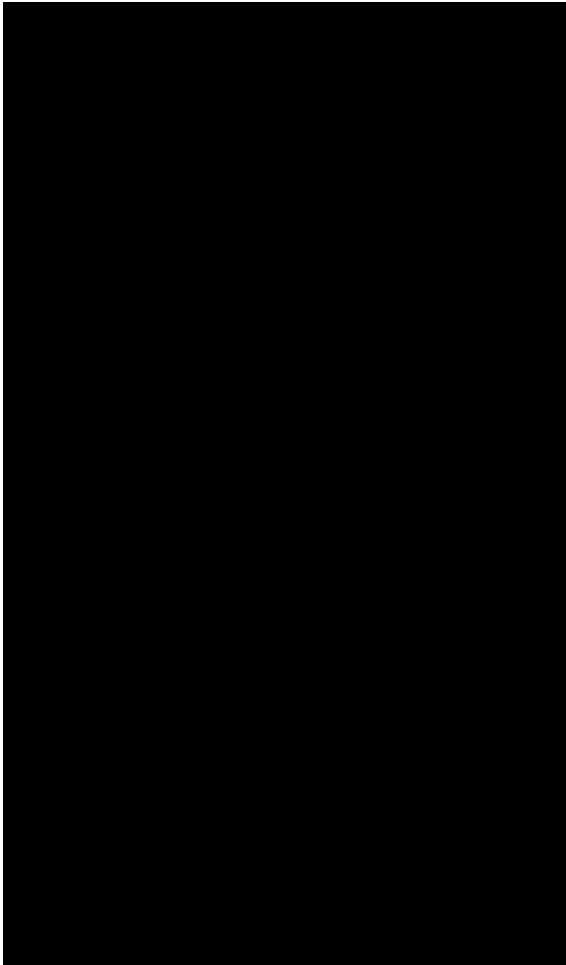
(b) Erika Zalez is appointed as the sole representative of the Colombian Company (the "Sole Representative of the Colombian Company"), and is herein expressly authorized to act on behalf and in representation of the interests of the Colombian Company, and any notices, authorizations and communications referred to under the following Section 10.2 shall be addressed thereto.



(c) Swarandeeep Singh Brar is appointed as the sole representative of the Canadian Shareholder (the "Sole Representative of the Canadian Shareholder"), and is herein expressly authorized to act on behalf and in representation of the interests of the Canadian Shareholder, and any notices, authorizations and communications referred to under the following Section 10.2 shall be addressed thereto until such time as the President of the Canadian Shareholder delivers notice to the other parties hereto of its authorized representative for the purposes of this Section.

(d) Swarandeeep Singh Brar is appointed as the sole representative of the Canadian NewCo (the "Sole Representative of the Canadian NewCo"), and is herein expressly authorized to act on behalf and in representation of the interests of the Canadian NewCo, and any notices, authorizations and communications referred to under the following Section 10.2 shall be addressed thereto until such time as the President Canadian Shareholder delivers notice to the other parties hereto of its authorized representative for the purposes of this Section.

Section 10.2 Notices. All notices, requests and other communications between the Parties hereunder shall be in writing and shall be sent to the addresses established for such purpose in this Section 10.2, or at such other address for a Party as shall be specified in writing:



Note: notices provision

(b) The above addresses and telephone numbers may be changed by written notice to the other Party at least five (5) days prior to the effective date of the new address.



- (c) The notices shall be deemed to have been received:
- (i) When delivered by hand (with written confirmation of receipt) on the same day;
  - (ii) on the date sent by e-mail of a PDF document (with confirmation of transmission) to the email set forth in Section 10.2(a), if sent during normal business hours of the recipient, and on the next Business Day if sent after normal business hours of the recipient; and
  - (iii) on the third (3<sup>rd</sup>) day after the date mailed to the address set forth above, by certified or registered mail, return receipt requested.

Section 10.3 Applicable Law. This Agreement shall be governed by and construed in accordance to the internal laws of the Province of Ontario in Canada.

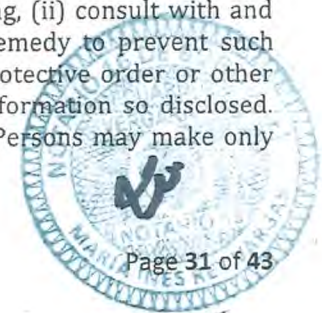
Section 10.4 Dispute Resolution. Any dispute, controversy or claim relating to this Agreement shall be settled by an arbitration tribunal (the "Tribunal") in accordance with the *Arbitration Act, 1991* (Ontario), and any amending or complementary laws and regulations, according to the following rules: The decision of the arbitration shall be at Law.

- (b) The Parties will mutually appoint the arbitrator(s).

Section 10.5 Joint and Several Liability. Without limiting the generality of any other provision in this Agreement and notwithstanding anything to the contrary contained herein, the Colombian Shareholders shall be jointly and severally liable with the other Colombian Shareholders for all obligations of each and every one of the Colombian Shareholders contained herein.

Section 10.6 Confidentiality. From the Execution Date the Closing Date, without the other Party's express written consent, the Investor, the Parties will cause each of their respective directors, officers, stockholders, employees, agents, consultants and other advisors and representatives, as the case may be, (the "Restricted Persons") to, maintain the confidentiality of, and not use for their own benefit or the benefit of any other Person, any information with respect to the legal, financial or other terms or conditions of this Agreement or in the other Transaction Documents (the "Confidential Information"). The foregoing does not restrict the right of any Party to disclose such information (i) to its respective Restricted Persons to the extent reasonably required to facilitate the negotiation, execution, delivery or performance of this Agreement; (ii) to any Governmental Authority or arbitrator to the extent reasonably required in connection with any proceeding relating to the enforcement of this Agreement; and (iii) as far as required by applicable Law or by a decision, order or decree of a Governmental Authority or court. Each Party will advise its respective Restricted Persons with respect to the confidentiality obligations under this and will be responsible for any breach or violation of such obligations by its Restricted Persons.

(b) If a Party or any of its respective Restricted Persons becomes legally compelled to make any disclosure that is prohibited or otherwise restricted by this Agreement, then such Party will as far as a legally permitted (i) promptly notify the other Party in writing, (ii) consult with and assist the other Party in obtaining an injunction or other appropriate remedy to prevent such disclosure and (iii) use its commercially reasonable efforts to obtain a protective order or other reliable assurance that confidential treatment will be accorded to any information so disclosed. Subject to the previous sentence, the disclosing Party or such Restricted Persons may make only such disclosure that it is legally compelled or otherwise required to make.





Section 10.7 Amendment; Waivers. No amendment, modification or discharge of this Agreement, and no waiver hereunder, shall be valid or binding unless set forth in writing and duly executed by the Party against whom enforcement of the amendment, modification, discharge or waiver is sought.

(b) No waiver by any Party shall operate or be construed as a waiver in respect of any failure, breach or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege.

Section 10.8 Expenses. Except as otherwise provided herein, all costs, fees and expenses incurred in connection with this Agreement, and the transactions contemplated hereby, whether or not consummated, shall be paid by the Party incurring such cost or expense. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Parties, and their respective heirs, successors and permitted assigns; provided that except as permitted below, this Agreement shall not be assignable or otherwise transferable by any Party without the prior written consent of the other Parties.

Section 10.10 Specific Performance. The Parties shall perform their obligations under this Agreement in good faith, and therefore this Agreement is binding upon the Parties hereto not only in respect of the obligations expressly provided for herein, but also in respect of all additional actions required from the Parties or as deemed necessary or appropriate to fulfill the purposes of this Agreement, and the Parties agree that in case of any breach of any provision of this Agreement the Parties shall be entitled to specific performance of the terms hereof, in addition to any other remedy to which they are entitled at Law.

Section 10.11 Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which shall together constitute one and the same instrument. Severability. If any provision, including any phrase, sentence, clause, section or subsection, of this Agreement is determined by a court of competent jurisdiction or by any Governmental Authority to be invalid, inoperative or unenforceable for any reason, such circumstance shall not have the effect of rendering such provision in question invalid, inoperative or unenforceable in any other case or circumstance, or of rendering any other provision invalid, inoperative or unenforceable to any extent whatsoever, to the extent that the economic and legal fundamentals of the transactions contemplated hereby do not materially and adversely affect any of the Parties. Upon any such determination, the Parties shall negotiate in good faith to modify this Agreement so as to affect the original intent of the Parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby be completed as originally contemplated to the fullest extent possible. Entire Agreement. This Agreement and its Exhibits and Annexes constitute the entire agreement and supersede all prior agreements and understandings, both written and oral, between the Parties with respect to the subject matter hereof. Third Party Beneficiaries. Except as otherwise provided hereunder, no provision of this Agreement is intended to confer any rights, benefits, remedies, obligations or liabilities hereunder upon any Person other than the Parties and their respective successors and assigns. *[Signature page follows]*

IN WITNESS HEREOF, this Agreement is executed on the 24<sup>th</sup> day of the month of October of 2018.

The Colombian Shareholders

Note: signatures of signatories & sensitive/personal information

[Redacted Signature]

Name: Erika Zalez

Identification: [Redacted]

Name: Rafael La Torre

Identification: [Redacted]

[Redacted Signature]

Name: Mario Francisco Sánchez

Identification: [Redacted]

[Redacted Signature]

Name: Yeny Rocio Jiménez Martínez

Identification: [Redacted]





IN WITNESS HEREOF, this Agreement is executed on the 24<sup>th</sup> day of the month  
of October of 2018.

The Colombian Company

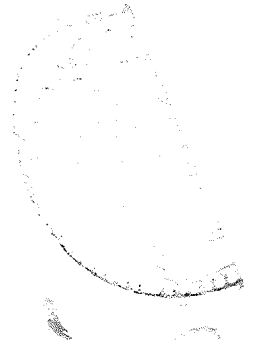


Name: Erika Zalez

Position: Legal Representative

Identification: [REDACTED]

La Finca Interactiva Arachna Inc. S.A.S



IN WITNESS HEREOF, this Agreement is executed on the 24<sup>th</sup> day of the month of October of 2018.

The Colombian Shareholders

\_\_\_\_\_  
Name: Erika Zalez

Identification: [REDACTED]

\_\_\_\_\_  
Name: Rafael Latorre

Identification: [REDACTED]

\_\_\_\_\_  
Name: Mario Francisco Sánchez

Identification: C.C. 79.611.208

\_\_\_\_\_  
Name: Yeny Rocío Jiménez Martínez

Identification: C.C. 53.117.512

**16** Notaría  
 Del Circuito de Bogotá  
**NOTARÍA DIECISEIS DEL CÍRCULO DE BOGOTÁ D.C.**  
**DILIGENCIA DE AUTENTICACIÓN DE FIRMA**  
 MARIA INES REY VARGAS NOTARIA 16 (E) DE BOGOTÁ D.C.

Previa confrontación correspondiente, declara que la firma que aparece en el presente documento corresponde a la autografía registrada ante mí por:

Verifique los datos en:  
[www.notariaenlinea.com](http://www.notariaenlinea.com)  
 PT0DU6PDYZVD8UT7

**JIMENEZ MARTINEZ YENY ROCIO**  
 Quien se registró con: C.C. 53117512  
 De conformidad con el Art. 73 del Decreto Ley 960 de 1970.  
 Dokkz0k9siki9ira WHT  
 Bogotá D.C. 24/10/2018 a las 01:50:29 p.m.

MARIA INES REY VARGAS NOTARIA 16 (E) DE BOGOTÁ D.C.



*Yeny Jimenez*

**16** Notaría  
 Del Circuito de Bogotá  
**NOTARÍA DIECISEIS DEL CÍRCULO DE BOGOTÁ D.C.**  
**DILIGENCIA DE AUTENTICACIÓN DE FIRMA**  
 MARIA INES REY VARGAS NOTARIA 16 (E) DE BOGOTÁ D.C.

Previa confrontación correspondiente, declara que la firma que aparece en el presente documento corresponde a la autografía registrada ante mí por:

Verifique los datos en:  
[www.notariaenlinea.com](http://www.notariaenlinea.com)  
 6G0VPPG6Q9253VJ6

**SANCHEZ MOSQUERA MARIO FRANCISCO**  
 Quien se registró con: C.C. 79611208  
 De conformidad con el Art. 73 del Decreto Ley 960 de 1970.  
 2dwaaazcqxazdzac WHT  
 Bogotá D.C. 24/10/2018 a las 01:53:36 p.m.

MARIA INES REY VARGAS NOTARIA 16 (E) DE BOGOTÁ D.C.



*Mario Francisco Sanchez M.*

Se autoriza de conformidad con el artículo 12 del decreto 2148 de 1983 y proceder con respecto a la Biometría como lo ordena el artículo 3° de la Resolución 6467 del de junio de 2015 que autoriza la toma de firmas registradas o tomadas fuera de despacho sin que medie verificación con la base de datos de la Registraduría Nacional del Estado Civil.


**16** Notaría  
 Del Circuito de Bogotá  
**NOTARÍA DIECISEIS DEL CÍRCULO DE BOGOTÁ D.C.**  
**DILIGENCIA DE AUTENTICACIÓN DE FIRMA**  
 MARIA INES REY VARGAS NOTARIA 16 (E) DE BOGOTÁ D.C.

Previa confrontación correspondiente, declara que la firma que aparece en el presente documento corresponde a la autografía registrada ante mí por:

Verifique los datos en:  
[www.notariaenlinea.com](http://www.notariaenlinea.com)  
 TH4G302722LKV31TT

**ZALEZ ERIKA**  
 Quien se registró con: C.C. 79232588  
 De conformidad con el Art. 73 del Decreto Ley 960 de 1970.  
 evswsc33s2x1s1x3 WHT  
 Bogotá D.C. 24/10/2018 a las 01:54:39 p.m.

MARIA INES REY VARGAS NOTARIA 16 (E) DE BOGOTÁ D.C.



*Erika Zalez*

**Exhibit 1**

**Cannabis License of the Colombian Company**

1. Resolution 837 dated October 19, 2017 issued by the Ministry of Justice of Colombia and whereby a license for cultivation of non-psychoactive cannabis plants was granted to the Colombian Company for a term of five (5) years. Further to the terms and conditions of this license the Colombian Company is authorized to carry out the following Cannabis Activities:
  - a. Produce cannabis grains and seeds for planting.
  - b. Produce cannabis grains and seeds to be delivered to licensed third parties for the manufacture of non-psychoactive cannabis derivatives.
  - c. Produce cannabis grains and seeds to be delivered to third parties for industrial use.
  - d. Produce cannabis grains and seeds to be delivered to third parties for scientific purposes.

**Exhibit 2**

**Pending Cannabis Licenses**

1. Registration as non-psychoactive cannabis seed producer before the Colombian Agricultural Institute ("ICA" for its acronym in Spanish).

**Exhibit 3**

**Shareholders Agreement of the Canadian NewCo**



**Exhibit 4**

**Financial Statements of the Colombian Company as of June 30, 2018**

**Exhibit 5**

**List of all individuals who are employees, independent contractors or consultants of  
the Colombian Company as of October 24, 2018**



La Finca Interactiva para cumplir con sus objetivos en el desarrollo del proyecto de siembra de cannabis no psicoactivo ha celebrado contrato con las personas detalladas a continuación:

NOMBRE	PROFESION U OFICIO	CARGO	CLASE DE VINCULACION	FECHA DE VINCULACION
<b>ERIKA ZALEZ</b>	Economista	C.E.O	Accionista	2017
<b>YENY JIMÉNEZ</b>	Ingeniera Industrial	Representante legal Colombia	Accionista	2016
<b>RAFAEL LATORRE</b>	Médico	Director Científico	Accionista	2017
<b>MARIO FRANCISCO SÁNCHEZ</b>	Pedagogo, y comunicador	Responsabilidad social y alianzas estratégicas	Accionista	2016
<b>LUISA SERRANO</b>	Abogado	Asesor Jurídico	Contrato prestación servicio	2017
<b>DAGOBERTO QUIROGA</b>	Abogado	Asesor Jurídico	Contrato prestación servicio	2017
<b>GLORIA QUIROGA</b>	Contadora	contadora	Contrato prestación servicio	2017
<b>JUAN MIGUEL CELIS MONCADA</b>	Cultivador	Coordinador de siembra	Contrato prestación servicio	2017
<b>WIMER CONDA</b>	Técnico Agrícola	Asesor en producción de cannabis	Contrato prestación servicio	2018
<b>HERMINIO PAREDES</b>	Agrónomo	Agrónomo	Contrato prestación servicio	2018
<b>JUAN DAVID ROMERO</b>	Licenciado en Biólogo	Asesor científico en semilla y cultivo de cannabis	Contrato prestación servicio	2018
<b>FABIÁN BARRETO</b>	Licenciado en Química	Asesor en procesos de laboratorio	Contrato prestación servicio	2018

Cordialmente,

**Yeny Rocío Jiménez Martínez.**  
53.117.512 de Bogotá.

Dirección: Cra 14 bis No, 16 bis - 08  
Barrio Santa Anita Fusagasugá  
Colombia



Bogotá. D.C., 17 de julio de 2018

### LISTADO DE CONTRATOS Y/O ACUERDOS

La **FINCA INTERACVIVA ARACHNA MED INC S.A.S.** hasta la fecha ha firmado los siguientes acuerdos, contratos y alianzas para el desarrollo de sus actividades:

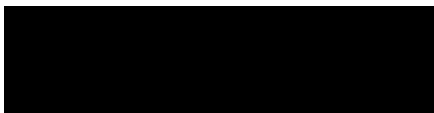
CÓDIGO DEL CONTRATO	EMPRESA PERSONA O ASOCIACIÓN	TIPO DE VINCULACIÓN	OBJETO	FECHA Y VIGENCIA
FI-CPS-001 2017	Juan Miguel Celis Moncada	Contrato de prestación de servicios	Prestar servicios como Operario de Cultivo	1/12/2017 vigencia un (1) año
FI-CPS-002 2017	ANULADO	ANULADO	ANULADO	ANULADO
FI-CPS-003 2017	Juan David Romero Betancourt	Contrato de prestación de servicios	Prestar servicios Asesoría técnica en las Pruebas de Evaluación Agronómica	1/12/2017 vigencia un (1) año
FI-CPS-004 2017	Fabián Barreto Pedraza	Contrato de prestación de servicios	Prestar servicios Asesoría técnica en procesos de laboratorio.	1/12/2017 vigencia un (1) año
(Pendiente)	Productos Mi Rey Promy S.A.	Contrato de maquila	Maquila de tres productos cosméticos	Vigente desde abril
FI- CV-001 2017	Cabildo indígena "López Adentro" Empresa comunitaria KwesTul	Alianza estratégica	Carta de intención vinculación <i>"Indígena al proyecto Cannabis bienestar para todos"</i>	8/02/2017 Vigente
FI-CV-002- 2017	Rafael La Torre Gómez	Contrato de arriendo	Arriendo Finca Pasatiempos	01//04/2017 Vigencia dos (2) años
FI- CV-003 2017	Agremiación para el Fomento de la Cannabicultura en Colombia	Alianza estratégica	Capacitación de cultivadores, convocatoria de cultivadores	01/12/2017 Vigente
(Pendiente)	Universidad Francisco José de Caldas	Intención de convenio para impartir cursos de capacitación a agremiados	Curso de 40 horas para la capacitación de sembradores	Propuesta pendiente de firma

Dirección: Cra 14 bis No, 16 bis - 08  
Barrio Santa Anita Fusagasugá  
Colombia



(Pendiente)	Universidad Nacional de Colombia	Intención de proyecto de investigación	Registro de cultivares y de obtentores semilla.	Pendiente de firma de resolución del contrato. Ya existe aprobación por parte de la Universidad
(Pendiente)	Universidad Pedagógica y Tecnológica de Colombia Sede Tunja	Intención de proyecto de investigación	Manejo integrado de residuos de cáñamo aplicado a la industria	(Pendiente)
N/R	Leidy Giona Duarte	Contrato de arriendo	Arriendo Casa Fusagasugá	07/06/2017 vigencia un (1) año prorrogable
(Pendiente)	LIMUS	Intención de compra materia prima	Intención de compra materia prima	23/05/2018
FI-CPS-005 2018	Gloria Quiroga Collazos	Contrato de prestación de servicios	Prestar servicios contables	01/07/2018
FI-CPS-006 2018	Quiroga & Serrano Abogados	Contrato de prestación de servicios	Asesoría Jurídica	01/07/2018

Cordialmente,



Note: signature of signatory

**Yeny Rocío Jiménez Martínez.**  
53.117.512 de Bogotá.

Dirección: Cra 14 bis No, 16 bis - 08  
Barrio Santa Anita Fusagasugá  
Colombia

**Exhibit 6**

**List of Insurance Policies**



**Exhibit 7**

**Copies of Identification Documents**

IN WITNESS HEREOF, this Agreement is executed on the 24<sup>th</sup> day of the month of October of 2018.

The Canadian Shareholder

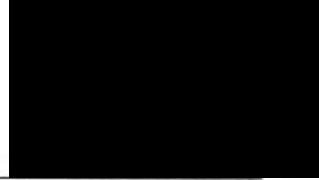


Note: signature of signatory

10998354 Canada Inc.  
Name: Swarandeeep Singh Brar  
Position: President

IN WITNESS HEREOF, this Agreement is executed on the 24<sup>th</sup> day of the month of October of 2018.

10998451 CANADA INC.



Note: signature of signatory

Name: Swarandeeep Singh Brar  
Position: President

**SCHEDULE 5.43**

**FINDERS' FEES**

The purchaser will pay a finder's fee equal to \$1,350,000, which fee shall be fully paid and satisfied by the issuance of 1,080,000 Chemesis Shares. Such Chemesis Shares shall be subject to an Escrow Agreement.