
EXCLUSIVE DEALING AGREEMENT

by and among

DR. RAIMAR LOEBENBERG

and

CANNABUNKER DEVELOPMENT CORP

Dated as of August 20, 2018

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Exhibit A Consideration Share Escrow Exhibit

EXCLUSIVE DEALING AGREEMENT

THIS EXCLUSIVE DEALING AGREEMENT (this “**Agreement**”) is made and entered into as of August ____, 2018 (the “**Effective Date**”), by and among Dr. Raimar Loebenberg, an individual having an address for service at 7721 - 111 Street NW, Edmonton, Alberta T6G 1H3 (“**Loebenberg**”) and CannaBunker Development Corp., a body corporate, incorporated in British Columbia, having its offices at 1055 West Georgia Street, 1500 Royal Centre, Vancouver BC V6E 4N7 (“**CannaBunker**”). Loebenberg and CannaBunker may be referred to individually in this Agreement as a “**Party**” and collectively as the “**Parties**.”

RECITALS

A. Loebenberg is the holder of License No. 2018/6875, issued pursuant to the Canadian *Controlled Drugs and Substances Act*, a copy of which has been provided to CannaBunker.

B. The Parties desire to enter into an exclusive dealing arrangement with respect to commercial operations under the License (as defined below) and Loebenberg’s cannabis-related research and associated intellectual property.

In consideration of the representations, warranties, covenants, agreements and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

ARTICLE 1 INTERPRETATION

1.1 **Definitions.** As used in this Agreement, the following terms will have the meanings indicated below. Other defined terms will have the meaning given to them throughout the document.

“**Affiliate**” of any specified Person means any other Person directly or indirectly Controlling or Controlled by or under direct or indirect common Control with that Person.

“**Agreement**” means this Exclusive Dealing Agreement, including the Exhibit(s) attached hereto, as same may be amended or supplemented from time to time in accordance with the terms hereof.

“**Applicable Law**” means any applicable federal, provincial, local, municipal, regulatory foreign, international, multinational, or other administrative order, constitution, law, ordinance, principle of common law, rule, regulation, policy, statute, or treaty.

“**Business Day**” means any day of the year, other than a Saturday, Sunday or any day on which banks are authorized or required by Applicable Law to be closed for business in Vancouver, British Columbia or Edmonton, Alberta.

“**Closing**” has the meaning ascribed to it in Section 4.1.

“**Closing Date**” has the meaning ascribed to it in Section 4.1.

“**Consideration Shares**” has the meaning ascribed to it in Section 3.1(a).

“Consulting Agreement” means the consulting agreement between Loebenberg and CannaBunker dated on or about the date hereof.

“Control” means, when used with respect to any specified Person, the power to direct the management, operations and policies of that Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise. Its grammatical variants, including **“Controlled”** and **“Controlling”**, shall be construed accordingly.

“Controlled Drugs and Substances Act” means the Canadian Controlled Drugs and Substances Act (S.C. 1996, c. 19);

“Dean's Approval” means the approval of the Dean of the Faculty of Pharmacy and Pharmaceutical Sciences of the University.

“Developed Intellectual Property” means all cannabis-related Intellectual Property developed or otherwise created by Loebenberg during the Exclusivity Period resulting from or relating to the Licensed Activities, including methods for cannabis extraction and processing, cannabis-derived or cannabis-related formulae, cannabis products, methods and processes, and any modifications and derivatives thereof (and, for greater certainty, Developed Intellectual Property may include modifications to and/or derivative works of any Existing Intellectual Property developed during the Exclusivity Period) provided that Developed Intellectual Property expressly excludes Existing Intellectual Property.

“Effective Date” has the meaning ascribed to it in the heading of this Agreement.

“Escrow” has the meaning ascribed to it in Section 3.1(b).

“Escrowed Consideration Shares” has the meaning ascribed to it in Section 3.1(b).

“Exclusivity Period” has the meaning ascribed to it in Section 2.2.

“Existing Intellectual Property” means all Intellectual Property developed or otherwise created by Loebenberg prior to the Exclusivity Period.

“Governmental Authority” means (a) any governmental or public department, central bank, court, minister, governor-in-council, cabinet, commission, tribunal, board, bureau, agency, commissioner or instrumentality, whether international, multinational, national, federal, provincial, state, municipal, local, or other; (b) any subdivision or authority of any of the above; (c) any stock exchange; and (d) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the above.

“Holdco” has the meaning ascribed to it in Section 3.1(a).

“Initial Period” has the meaning ascribed to it in Section 2.2.

“Intellectual Property” means intellectual, industrial and intangible property of whatever nature and kind in any jurisdiction, including trade secrets, inventions, Know-How, innovations, discoveries, developments, formulae, product formulations, methods, processes, compositions of matter, software, databases, names, trademarks, logos, Works, guides, manuals and designs, in all cases whether patented or patentable, whether registered or unregistered, and in any medium whatsoever.

“Intellectual Property Rights” means any and all rights in respect of, in or to Intellectual Property, whether pursuant to statute, common law or other laws, including any and all:

- (a) copyrights and the benefit of any waivers of moral rights;
- (b) trademarks, tradenames and service marks;
- (c) patents and patent applications;
- (d) rights and obligations in respect of trade secrets;
- (e) all applications, registrations, renewals, extensions, continuations, divisions, reissues, and restorations relating to any such rights (where applicable), now or hereafter in force and effect throughout the world (including any rights in any of the foregoing);
- (f) all rights and benefits in and to revenues and proceeds in respect of Intellectual Property; and
- (g) all rights and benefits relating to the enforcement of rights in Intellectual Property, including remedies.

“Know-How” means all know-how, trade secrets, proprietary information, confidential information and information of a sensitive nature that have value or relate to or arise from the Licensed Activities, in whatever form communicated, maintained or stored, including (a) all formulae, recipes, algorithms, methods, technical processes, specifications, manuals, drawings, prototypes, models, plans, systems and techniques, (b) all information relating to the research, development, manufacture, marketing, sales or post-sales activities of any past, present or future goods or services related to the Licensed Activities, including lab journals, notebooks, design documentation, engineering documentation, manufacturing documentation, costing information, pricing information, customer names, customer lists and other details of customers, supplier names, supplier lists and other details of suppliers, sales targets, sales statistics, market share information, market research and survey information.

“Knowledge” with respect to CannaBunker means the actual knowledge of Hugh Rogers, and with respect to Loebenberg means the actual knowledge of Loebenberg, as well as any knowledge that would have been acquired by either such Person upon appropriate inquiry and investigation.

“License” means License No. 2018/6875, issued pursuant to the Canadian *Controlled Drugs and Substances Act*, and any renewal or replacement thereof, including any replacement licence(s) to which such licence is migrated under the *Cannabis Act* (Canada).

“Licensed Activities” means the cannabis-related activities permitted under or undertaken in connection with the License as amended from time to time, including cannabis-related research and development, and the Possession, Production, Packaging, Sale, Sending, Transportation and Delivery as those terms are defined in the regulations to the Controlled Drugs and Substances Act of cannabis, delta-8 tetrahydrocannabinol, cannabidiol, tetrahydrocannabivarin, tetrahydrocannabinol, cannabigerol, cannabinol, cannabichromene, cannabigerolic acid, tetrahydrocannabinolic acid and cannabidiolic acid, and their salts.

“Person” means any individual, corporation, partnership, joint venture, limited liability company, trust, unincorporated organization, Governmental Authority or other legally recognized entity.

“**QPIC**” or “**Qualified Person in Charge**” has the meaning ascribed to it in the Controlled Drugs and Substances Act (S.C. 1996, c. 19) Act and regulations, and includes any substantially equivalent concepts in subsequently adopted legislation and regulations governing Licensed Activities in Canada.

“**Registered Intellectual Property**” means all Intellectual Property Rights that are registered, filed, or issued under the authority of any governmental body, including all patents, registered copyrights and registered trademarks and all applications for any of the foregoing.

“**Restricted Business**” has the meaning ascribed to it in Section 2.4;

“**Transaction Documents**” means this Agreement and the Consulting Agreement;

“**University**” means the University of Alberta.

“**Works**” means all works of authorship and subject matter in which copyright, neighbouring rights or moral rights subsist, including (a) research papers, white papers, studies, reports, (b) all databases and database layouts, (c) all documents and other works, (d) all other literary, artistic, pictorial, graphic, musical, dramatic and audio-visual works, (e) all compilations of the foregoing, and (f) all derivatives, enhancements and modifications of the foregoing.

- 1.2 **Time.** Time is of the essence in every matter or action contemplated hereunder.
- 1.3 **Business Days.** Whenever any action to be taken or payment to be made pursuant to this Agreement would otherwise be required to be made on a day that is not a Business Day, such action shall be taken or such payment shall be made on the first Business Day following such day.
- 1.4 **Currency.** Unless otherwise specified, all references to amounts of money in this Agreement refer to the lawful currency of Canada, and “Ca\$” means Canadian dollars.
- 1.5 **Headings, etc.** The descriptive headings preceding Articles and Sections of this Agreement are inserted solely for convenience of reference and are not intended as complete or accurate descriptions of the content of such Articles or Sections. The division of this Agreement into Articles and Sections shall not affect its interpretation.
- 1.6 **Include.** The terms “include”, “including” and other grammatical variants thereof shall, unless otherwise expressly indicated, mean “includes without limitation.”
- 1.7 **Other Documents.** A reference to any agreement, document or instrument means that agreement, document or instrument as amended or modified and in effect from time to time in accordance with its terms.
- 1.8 **Number and Gender.** Any reference in this Agreement to any gender, including the neuter, includes all genders. Words importing the singular number shall include the plural and vice versa.

ARTICLE 2 EXCLUSIVITY

- 2.1 **Exclusive Dealing.** During the Exclusivity Period (as defined below), Loebenberg agrees as follows:

- (a) **Exclusive Rights.** Subject to Subsection 2.1(b), Loebenberg grants to CannaBunker an exclusive (even as to Loebenberg), irrevocable, fully-paid up right to benefit from the exercise of Loebenberg's rights under the License, including Loebenberg's performance of the Licensed Activities, for all cannabis-related commercial purposes. In connection with the grant of exclusivity rights hereunder, Loebenberg shall promptly apply, at CannaBunker's request and at its sole cost and expense, in his capacity as "Qualified Person in Charge" or "QPIC" (as that term is defined in the Controlled Drugs and Substances Act and its Regulations) or in any other capacity or position as may be appropriate for (i) the Dean's Approval; (ii) any amendments to the License as may be required or requested by CannaBunker from time to time, and (iii) such new or separate licenses under applicable Canadian cannabis-regulation legislation as CannaBunker may require from time to time.
- (b) **Exceptions for Analytical Services and Academic Purposes.** Notwithstanding Subsection 2.1(a), for so long as Loebenberg is employed at the University in an academic capacity:
- (i) Loebenberg shall have the right to exercise his rights under the License in connection with the provision of analytical services using the facilities of the University (including for non-cannabis commercial purposes for which the analysis is simply part of the project and not the primary commercial motive), provided that for greater certainty, all analytical services carried out for commercial purposes at any location other than University facilities shall be for the sole and exclusive benefit of CannaBunker; and
 - (ii) Loebenberg shall have the right to exercise his rights under the License for Academic Purposes, where "**Academic Purposes**" means academic research, purposes or activities that are not conducted, directly or indirectly, for a commercial purpose, or funded directly or indirectly by a commercial entity (provided that academic and governmental institutions are deemed not be funded indirectly by commercial entities), and includes any research, purpose or activity for which neither Loebenberg nor his Affiliates are compensated directly or indirectly by any third party engaged in commercial activities (again provided that academic and governmental institutions are deemed not be funded indirectly by commercial entities).
- (c) **Assignment of Intellectual Property.** Loebenberg hereby irrevocably assigns to CannaBunker all of his right, title and interest, including all Intellectual Property Rights, in and to all Developed Intellectual Property, effective at the time that any such Developed Intellectual Property is created during the Exclusivity Period, subject in all cases to any rights held by the University. Loebenberg irrevocably waives without additional compensation all moral rights in the Developed Intellectual Property. CannaBunker will retain exclusive rights to acquire Loebenberg's rights in the Developed Intellectual Property for commercial purposes, notwithstanding such commercialization being subject to the prior approval of the University, and all of Loebenberg's rights in the Developed Intellectual Property that cannot be assigned to CannaBunker without approval of the University (if any), will be held by Loebenberg on behalf of, and for the exclusive benefit of, CannaBunker.
- (d) **No Transfer of, or Licence to, Existing Intellectual Property.** For greater certainty, nothing in this Agreement shall be construed so as to require Loebenberg to assign to

CannaBunker any Existing Intellectual Property or to imply that CannaBunker has a licence to any Existing Intellectual Property.

- 2.2 **Exclusivity Period.** Subject to the exceptions set out in Subsection 2.1(b), the rights set out in Subsections 2.1(a) and 2.1(c) shall be exclusive, even as to Loebenberg, for an initial period (the “**Initial Period**”) commencing on the Closing Date and expiring on the earlier of (i) the termination of this Agreement, and (ii) the date that the last Consideration Shares are released from Escrow, as described in Section 3.1(b). The Initial Period may be renewed upon the agreement of the Parties for any number of additional one year periods. The Initial Period and all renewal periods, if any, are referred to collectively as the “**Exclusivity Period**”.
- 2.3 **Non-Renewal of Exclusivity.** In the event that Loebenberg does not agree to renew the Exclusivity Period following the expiry of the Initial Period or any renewal period, he shall provide CannaBunker with written notice of the non-renewal not less than six (6) months prior to the expiry of the Exclusivity Period (the “**Notice Period**”). During the Notice Period, Loebenberg agrees to use his best efforts to:
- (a) assist CannaBunker in attracting and retaining a suitable replacement, reasonably acceptable to Cannabunker who is qualified to serve as the “Qualified Person in Charge” as required by the Controlled Drugs and Substances Act (or the applicable equivalent under such other legislation as may be applicable to the Licenced Activities in Canada at the applicable time); and
 - (b) to assist CannaBunker in applying for or otherwise securing a licence to conduct the Licenced Activities under the Controlled Drugs and Substances Act (or such other legislation as may be applicable to the Licenced Activities in Canada at the applicable time).
- 2.4 **Non-Competition.**
- (a) For a period of twelve (12) months from the expiry or other termination of the Exclusivity Period, Loebenberg agrees that he will not directly or indirectly engage in, or assist any other party to engage in (i) the Licensed Activities for commercial purposes; or (ii) the provision of consulting or other services to any other Person which develops, manufactures and/or sells cannabis-related products or services the same as or similar to CannaBunker’s products or services which compete with the cannabis-related products and services developed manufactured and/or sold by CannaBunker (collectively, a “**Restricted Business**”), anywhere in Canada or Germany without CannaBunker’s prior written consent, which consent may be granted or withheld at CannaBunker’s sole discretion. For greater certainty, this provision will not be construed so as to prevent Loebenberg, nor any of his Affiliates from conducting the Licensed Activities solely for Academic Purposes.
 - (b) As used in Section 2.4(a), the phrase “**directly or indirectly engage in**” and its grammatical variants includes being an officer, director, shareholder, owner, salesperson, co-owner, partner, trustee, promoter, researcher, technician, engineer, analyst, employee, agent, sales person, representative, distributor, supplier, investor, lender, consultant, advisor or manager of or to, or otherwise acquiring or holding any financial interest in, any Person that directly or indirectly engages in any Restricted Business; provided, however, that the foregoing provision shall not prevent Loebenberg from investing in any

publicly traded company, so long as Loebenberg's investment constitutes, in the aggregate, less than 5% of the outstanding securities or voting interest of such publicly traded company, or, with CannaBunker's prior written consent, such investment constitutes, in the aggregate, greater than 5% of the outstanding securities or voting interest of such publicly traded company.

- (c) Loebenberg acknowledges and agrees that the value to CannaBunker of the transactions contemplated hereby would be substantially and materially diminished if Loebenberg were hereafter to breach any of the provisions of Sections 2.4(a) and 2.4(b), such that CannaBunker would not have entered into this transaction under the current terms but for the protections provided by those Sections, and that Loebenberg has therefore agreed to the provisions of Sections 2.4(a) and 2.4(b) as a material inducement to CannaBunker to enter into this Agreement. Loebenberg specifically acknowledges and agrees (i) that Loebenberg has been advised to obtain and has obtained independent legal counsel in connection with the negotiation of the terms hereof; (ii) that the provisions of Sections 2.4(a) and 2.4(b) are commercially reasonable restraints on Loebenberg and that the Consideration Shares represent good and valuable consideration for such restraints; (iii), Sections 2.4(a) and 2.4(b) are reasonably necessary to protect CannaBunker's proprietary and business interests given the unique nature of the rights and technology being acquired by CannaBunker hereunder, and the highly competitive market in which it operates. Loebenberg further acknowledges and agrees that CannaBunker would be irreparably damaged by a breach of Section 2.4(a) and 2.4(b) and would not be adequately compensated by monetary damages for any such breach. Therefore, in addition to all other remedies, CannaBunker shall be entitled to injunctive relief from any court having jurisdiction to restrain any violation (actual or threatened) of Section 2.4(a) and 2.4(b), without the posting of any bond or other security.

ARTICLE 3 CONSIDERATION

3.1 Consideration Shares.

- (a) **Issuance.** In consideration for the rights and licenses granted by Loebenberg to CannaBunker hereunder, CannaBunker will, at Closing, issue 5,000,000 common shares (the "**Consideration Shares**") to Loebenberg or a company Controlled by Loebenberg ("**Holdco**").
- (b) **Escrow.** It is anticipated that, following Closing of the Transaction, CannaBunker will complete a liquidity event via non-offering prospectus or other means pursuant to which it will become a reporting issuer and seek a listing on the Canadian Securities Exchange or other stock exchange (the "**CSE**"). The Consideration Shares will be subject to voluntary pooling ("**Escrow**") for a period commencing on the Effective Date and terminating on the date that is thirty-six (36) months after the earlier of: (i) the date CannaBunker's shares are listed for trading on the CSE, and (ii) the date that is six (6) months after the Effective Date. The Consideration Shares will be released from Escrow as set forth in Exhibit A hereto and the certificates representing the Consideration shares shall bear legends evidencing such restrictions. At any time the Consideration Shares which have not been released from the Escrow are referred to herein as the "**Escrowed Consideration Shares**"). The Escrow will be in addition to, and run concurrently with, any additional escrow or pooling of the Consideration Shares required under the policies of the CSE or under applicable securities laws.

- (c) **Ownership of the Consideration Shares by Holdco.** If the Consideration Shares are issued to Holdco, then for so long as any Consideration Shares remain in Escrow, Loebenberg agrees that: (i) Holdco will own all Escrowed Consideration Shares; (ii) Loebenberg will retain Control of Holdco; and (iii) except as provided in Section 3.1(b), the Escrowed Consideration Shares will be free and clear of any mortgage, pledge, deed of trust, assignment, lien, judgment, pledge, security interest, conditional or installment sales agreement, claim, covenant, restriction, charge or lien of any kind and there will be no options, warrants, convertible securities or other rights, agreements, arrangements or commitments relating to the Escrowed Consideration Shares or by which the Escrowed Consideration Shares may be bound.
- (d) **Termination.** In the event that the Licence is terminated (without being concurrently renewed or replaced with an equivalent licence) during the Initial Period for any reason, other than (i) as a result of a change in applicable law governing the Licence; or (ii) primarily as a result of a wrongful or negligent act or omission of CannaBunker, Loebenberg shall (or, as applicable, shall cause Holdco to) assign and transfer to CannaBunker or its designee any remaining Escrowed Consideration Shares, and Loebenberg agrees to (or, as applicable, cause Holdco to) execute, sign and deliver all such further agreements, directions and instruments of transfer as may be required to effect the transfer. For greater certainty, the parties acknowledge the existing Licence under the *Controlled Drugs and Substances Act* will be migrated to one or more new licences under the *Cannabis Act* in due course and the licence(s) so issued as a result of the migration process will be deemed to be the Licence under this Agreement for all purposes, and there will be deemed to be no termination of the Licence as a result of such migration.

3.2 **Bonus Payments.** In this Agreement, "**Foam or Cyclodextrin-Related Cannabis Products**" means any product developed by Loebenberg alone or by Loebenberg jointly with CannaBunker or others (including any products which incorporate Developed Intellectual Property, but excluding, for greater certainty, foam products not developed in whole or in part by Loebenberg, e.g., white labelled third party CBD skin foam) which contains ingredients derived from cannabis or cannabinoids and which is (a) any solution, suspension, emulsion or microemulsion which can be foamed or is intended to be used as a foam for topical or mucosal administration with systemic or local effect and/or (b) any formulation for oral, buccal, sublingual, topical, inhalable, mucosal, ophthalmic or injectable route of administration which uses cyclodextrin as functional excipient to increase drug stability or increase drug solubility. Loebenberg shall be entitled to receive revenue-based bonus payments based on gross revenues from Foam or Cyclodextrin-Related Cannabis Products as follows:

- (a) **Level One Bonus.** Upon the completion of each fiscal year of CannaBunker while this Agreement is in effect (including any fiscal year in which this Agreement was only in effect for part of the year), in which CannaBunker (together with its Affiliates) generates at least Ten Million Canadian Dollars (Ca\$10,000,000) in aggregate revenues directly or indirectly from sales of Foam or Cyclodextrin-Related Cannabis Products (or licensing the right to make such products), Loebenberg will be entitled to receive a cash bonus in the amount of Two Hundred Thousand Canadian Dollars (Ca\$200,000) (the "**Level One Bonus**").
- (b) **Level Two Bonus.** Upon the completion of each fiscal year of CannaBunker, while this Agreement is in effect (including any fiscal year in which this Agreement was only in

effect for part of the year), in which CannaBunker (together with its Affiliates) generates at least Five Million Canadian Dollars (Ca\$5,000,000) in aggregate revenues directly or indirectly from sales of Foam or Clycodextrin-Related Cannabis Products (or licensing the right to make such products), Loebenberg will be entitled to receive a bonus in the amount of Two Hundred Thousand Canadian Dollars (Ca\$200,000) (the “**Level Two Bonus**”). A Level Two Bonus will be payable, at the election of CannaBunker in its sole discretion, either in cash or in common shares of CannaBunker at a deemed price equal to the then-current market price of the common shares of CannaBunker, as determined by CannaBunker’s board of directors acting reasonably and in accordance with then-current market practice.

- (c) **Payment.** Each of the Level One Bonus and the Level Two Bonus will be due and payable within ninety (90) days following the end of each fiscal year of CannaBunker.
- (d) **Termination of Level One and Level Two Bonuses.** CannaBunker may at any time, at its sole discretion, terminate Loebenberg’s entitlement to receive either or both of the Level One Bonus and the Level Two Bonus, subject to the following: (i) if CannaBunker terminates Loebenberg’s entitlement to receive Level One Bonuses, it shall pay to Loebenberg one time consideration in the amount of One Million Canadian Dollars (Ca\$1,000,000), and (ii) if CannaBunker terminates Loebenberg’s entitlement to receive Level Two Bonuses, it shall pay to Loebenberg one time consideration in the amount of One Million Canadian Dollars (Ca\$1,000,000). Payment of the consideration described in subsections (i) and/or (ii) shall be in full and final satisfaction of CannaBunker’s obligations with respect to the payment of Level One Bonuses and/or Level Two Bonuses, as applicable.
- (e) **Information Rights, Reports and Audit.**
 - (i) At all reasonable times, CannaBunker will provide Loebenberg and his advisors and representatives with access to, and the right to inspect and copy all production records, licences, agreements, plans, designs, accounting and financial books and records and other business records and information relating to CannaBunker’s production, sales and licensing revenues relating to Foam or Clycodextrin-Related Cannabis Products.
 - (ii) CannaBunker shall provide Loebenberg with the following summary reports relating to all periods in which Loebenberg has the opportunity to earn the Level One Bonuses and/or Level Two Bonuses:
 - (A) monthly reports with respect to production of Foam or Clycodextrin-Related Cannabis Products by CannaBunker and any licensees, and revenue derived therefrom, broken down by each Foam or Clycodextrin-Related Cannabis Product within thirty (30) days following then end of each calendar month, which reports will include, without limitation, the following information:
 - (1) a reconciliation of the inventory at each production facility where the Foam or Clycodextrin-Related Cannabis Products are being produced, including starting inventory, purchases, spoilage, sales, samples delivered, and ending inventory;

- (2) production of each Foam or Cyclodextrin-Related Cannabis Product at each production facility where the products are being produced; and
 - (3) breakdown of revenue for each sale of Foam or Cyclodextrin-Related Cannabis Products, including for each sale, name of customer, date, price, weight of product sold, and full details of the calculation of revenue for such sale; and
- (B) quarterly forecasts of production of Foam or Cyclodextrin-Related Cannabis Products by CannaBunker and its licensees, and of revenue for the next four (4) quarters within thirty (30) days following the end of each quarter.
- (iii) Loebenberg's representatives will have the opportunity to ask questions regarding these summary reports and CannaBunker will use commercially reasonable efforts to respond to all of such questions in a complete and timely manner.
 - (iv) CannaBunker will use commercially reasonable efforts to incorporate and address Loebenberg's reasonable feedback and requests relating to the format and content of the summary reports, so that the format and content of the summary reports is acceptable to Loebenberg, acting reasonably.
 - (v) Within sixty (60) days following the end of each fiscal year in which there was any revenue from sales of Foam or Cyclodextrin-Related Cannabis Products, CannaBunker shall send to Loebenberg a complete and accurate report detailing the amount of revenue and whether the Level One Bonus and/or Level Two Bonus was earned for such fiscal year. Such report shall be certified to be correct by an officer of CannaBunker. Loebenberg's representatives will have the opportunity to ask questions regarding these reports and CannaBunker will use commercially reasonable efforts to respond to all of such questions in a complete and timely manner. CannaBunker will use commercially reasonable efforts to incorporate and address Loebenberg's reasonable feedback and requests relating to the format and content of these reports, so that the format and content of these reports is acceptable to Loebenberg, acting reasonably.
 - (vi) CannaBunker shall keep complete and accurate books and records with respect to the sale of Foam or Cyclodextrin-Related Cannabis Products and Loebenberg shall have the right, during business hours and upon reasonable notice, up to two (2) times per calendar year, to have a mutually agreeable independent auditor audit and inspect such portions of such books and records as relate to the production and sales of Foam or Cyclodextrin-Related Cannabis Products. All expenses relating to or arising out of such audits and inspections shall be borne by Loebenberg, unless such audit uncovers a discrepancy which would have resulted in either the Level One Bonus or Level Two Bonus becoming payable to Loebenberg (when under CannaBunker's accounting, such bonus was not payable). In such circumstance, CannaBunker shall reimburse Loebenberg for the expenses relating to or arising out of such audits and inspections within ten (10) days of receiving in invoice from Loebenberg. CannaBunker shall keep and preserve each account and record referred to in this section for a period of five

(5) years from the date of each such account and record. In the event CannaBunker has failed to pay either the Level One Bonus and/or Level Two Bonus, CannaBunker shall remit to Loebenberg any such amounts due on or before thirty (30) days from the date of the final audit report.

- 3.3 **Directorship.** On or before Closing, CannaBunker shall use best efforts to cause its shareholders to appoint Loebenberg to CannaBunker's board of directors. During the Exclusivity Period, CannaBunker shall cause its management to nominate Loebenberg or his nominee for election to CannaBunker's board of directors at each annual general meeting of CannaBunker's shareholders, or pursuant to any consent resolution of the shareholders passed in lieu of an annual general meeting. CannaBunker will enter into a customary director indemnification agreement in favour of Loebenberg concurrently with Loebenberg's appointment to the board, such form of agreement to be acceptable to Loebenberg's legal counsel, acting reasonably.
- 3.4 **Consulting Agreement.** On or before Closing, CannaBunker and Loebenberg will enter into a consulting agreement (the "**Consulting Agreement**") pursuant to which Loebenberg will provide exclusive consulting services to CannaBunker relating to the Licensed Activities. The Consulting Agreement will provide for the payment of consulting fees by CannaBunker to Loebenberg in the amount of Ca\$5,000 per month payable in arrears, and will provide that Loebenberg shall dedicate a minimum of 10% and a maximum of 20% of his working time during each month to CannaBunker.

ARTICLE 4 CLOSING MATTERS

- 4.1 **Closing.** The consummation of the transactions herein contemplated (the "**Closing**") shall take place at 8:00 a.m. (Vancouver time) on the date hereof, or such other date as is agreed in writing by the Parties (the "**Closing Date**"), at 2500 – 700 West Georgia Street, Vancouver, British Columbia.
- 4.2 **Closing Deliveries of CannaBunker.** CannaBunker shall deliver or cause to be delivered to Loebenberg the following at the Closing:
- (a) a certificate for CannaBunker from the British Columbia Corporate Registry that CannaBunker is validly existing and in good standing;
 - (b) share certificates representing all of the Consideration Shares, registered to Loebenberg, or, if directed by Loebenberg, to Holdco, together with evidence satisfactory to Loebenberg (acting reasonably) that he (or Holdco as applicable) has been entered on the securities register of CannaBunker as the holder of the Consideration Shares; and
 - (c) a duly executed copy of the Consulting Agreement.
- 4.3 **Closing Deliveries of Loebenberg.** Loebenberg will deliver or cause to be delivered to CannaBunker a duly executed copy of the Consulting Agreement.

ARTICLE 5 COVENANTS

- 5.1 **Conduct of Business.** During the currency of this Agreement, CannaBunker and Loebenberg will each operate its or his business or activities in a prudent and business-like manner in the ordinary course and in a manner consistent with past practice. Without limitation, and for greater certainty, Loebenberg shall take all such steps, and shall generally do all such things as are required to maintain the License in good standing.
- 5.2 **Operations Under Licence.** During the currency of this Agreement, CannaBunker will conduct its activities under the Licence and with respect to any Licenced Activities in accordance with all applicable requirements under the Controlled Drugs and Substances Act (or, following any migration of the Licence to one or more new licences under the *Cannabis Act*, all applicable requirements under such act), and in accordance with all other Applicable Law. During the currency of this Agreement, at CannaBunker's sole cost and expense, Loebenberg shall take all such steps, and shall generally do all such things as are required to maintain the License in good standing and shall conduct his activities under the Licence and with respect to any Licenced Activities in accordance with all applicable requirements under the Controlled Drugs and Substances Act or *Cannabis Act* as applicable, and in accordance with any other Applicable Law.
- 5.3 **Conduct.** Loebenberg will conduct his activities under the License and under the Transaction Documents in a professional and competent manner that will not reflect unfavourably on the name and reputation of CannaBunker, and will refrain from any unfair, deceptive, fraudulent, or unethical practice, or other practice or conduct that could reflect unfavourably upon CannaBunker.
- 5.4 **Cooperation.** Subject to the provisions hereof, each Party agrees to cooperate fully with the other Party and to use all reasonable commercial efforts to assist the other Party to perform its obligations under this Agreement, unless such cooperation and efforts would subject the Party to liability or would be in breach of Applicable Law.

ARTICLE 6 INTELLECTUAL PROPERTY

- 6.1 **Existing Intellectual Property.** All Existing Intellectual Property shall remain the exclusive property of Loebenberg and CannaBunker shall not acquire any right, title or interest in and to the Existing Intellectual Property. CannaBunker shall not directly or indirectly question, attack, contest or in any manner impugn (nor assist any other Person in any of the foregoing) the validity, enforceability, registration or Loebenberg's ownership of, or right to use, any Existing Intellectual Property, in whole or in part. Loebenberg shall, in his sole discretion, decide how to protect any Existing Intellectual Property.
- 6.2 **Developed Intellectual Property.** All Developed Intellectual Property shall remain the exclusive property of CannaBunker (subject to the reservation of rights of the University provided herein) and, except as expressly granted herein, Loebenberg shall not acquire any right, title or interest in and to the Developed Intellectual Property. Loebenberg shall not directly or indirectly question, attack, contest or in any manner impugn (nor assist any other Person in any of the foregoing) the validity, enforceability, registration or CannaBunker's ownership of, or right to use, any Developed Intellectual Property, in

whole or in part. CannaBunker shall, in its sole discretion, decide how to protect any Developed Intellectual Property.

- 6.3 **Disclosure of Developed Intellectual Property.** Loebenberg agrees that he will promptly disclose to CannaBunker all Developed Intellectual Property invented, conceived, made, developed, discovered or created by Loebenberg during the Exclusivity Period. CannaBunker acknowledges that Loebenberg will also disclose such Developed Intellectual Property to the University if and to the extent required under University policies.
- 6.4 **Assignment of Developed Intellectual Property.** Loebenberg will be the initial owner of the Developed Intellectual Property under applicable law and University policies. Promptly following each disclosure of Developed Intellectual Property contemplated above, Loebenberg will assign 100% of his interest in such Developed Intellectual Property to CannaBunker (which all parties acknowledge is subject to the rights of the University).
- 6.5 **Protection of Intellectual Property Rights.** As the owner (or licensee as negotiated with the University) of the Developed Intellectual Property, CannaBunker shall be solely responsible at its own cost for the drafting, filing, prosecution and maintenance of all patents and patent applications relating to the Developed Intellectual Property in any jurisdiction worldwide. CannaBunker agrees to take reasonable measures to protect the Developed Intellectual Property either as a trade secret or through commercially reasonable patent protection.
- 6.6 **Notice of Infringement.** Each Party shall promptly notify the other in writing of any conflicting use or apparent act of infringement or appropriation of any Developed Intellectual Property by any Person which comes to its attention.
- 6.7 **Prosecution and Defense of Actions.** As the owner (or licensee as negotiated with the University) of the Developed Intellectual Property, CannaBunker shall be solely responsible at its own cost to prosecute or defend any action (a) relating to any conflicting use or apparent act of infringement or appropriation of any Developed Intellectual Property by any Person; or (b) in which the validity of any patent in relating to the Developed Intellectual Property is raised in any jurisdiction. Loebenberg agrees to reasonably cooperate in the prosecution or defence of any such action at CannaBunker's sole expense.
- 6.8 **Licence Back for Non-Commercial Purposes.** CannaBunker hereby grants back to Loebenberg a world-wide, fully paid up, non-exclusive license to use the Developed Intellectual Property without charge in any manner whatsoever for research, scholarly publication, educational and other non-commercial use. CannaBunker acknowledges and agrees that Loebenberg, the University, its faculty, researchers and students, shall not be restricted from presenting at symposia, national or regional professional meetings, or from publishing in journals or other publications accounts of their research relating to the Developed Intellectual Property.
- 6.9 **Indemnity.** CannaBunker will indemnify and hold Loebenberg harmless against any and all claims (including all reasonable legal fees and disbursements of outside counsel actually incurred) arising out of the use, or exercise, of any of its rights under this Agreement or with respect to the Developed Intellectual Property, including without limitation against any damages or losses, whether direct, indirect, consequential, incidental or special, arising in any manner at all from or out of the use of the Developed Intellectual Property (or

products or services made or provided using the Developed Intellectual Property) by CannaBunker, its customers, licensees, sublicensees, agents, collaborators, affiliates or their customers or end users.

- 6.10 **Exclusive Remedies.** Except as otherwise set forth herein, the remedies set forth in this Article 6 shall be the exclusive remedies available to CannaBunker with respect to any claim attacking the validity of the Developed Intellectual Property in any jurisdiction or alleging infringement of any other Person's intellectual property rights by Developed Intellectual Property in any jurisdiction, provided that nothing herein shall limit in any way either Party's remedies in respect of fraud or wilful misconduct by the other Party in connection herewith.

ARTICLE 7

CANNABUNKER'S REPRESENTATIONS AND WARRANTIES & COVENANTS

CannaBunker represents and warrants to Loebenberg that the statements contained in this Article 7 are true and correct as of the Effective Date except for any such representations and warranties that are made as of a specific date, which are made only as of that date.

- 7.1 **Organization and Qualification.** CannaBunker is a duly organized, validly existing, non-reporting corporation in good standing with respect to the filing of any and all reports with the regulatory authorities in the Province of British Columbia. CannaBunker has all the requisite corporate power, authority and capacity to own, lease and operate its assets and to carry on its business as the same was and is now being conducted.
- 7.2 **Capitalization.** The authorized share capital of CannaBunker consists of an unlimited number of common shares without par value, of which 24,852,000 common shares are issued and outstanding. No other securities of CannaBunker are issued or outstanding. All of the outstanding shares of CannaBunker have been and, following the issuance of the Consideration Shares will be, fully paid and non-assessable, and duly authorized and validly issued in compliance with Applicable Laws. As of Closing, other than as provided in Section 3.1(b), there will be no options, warrants, convertible securities or other rights, agreements, arrangements or commitments relating to the share capital of CannaBunker to which CannaBunker is a party or may be bound, or obligating CannaBunker to issue, sell or redeem any equity interests.
- 7.3 **Power and Authority; Enforceability.** CannaBunker has all requisite corporate power and authority to enter into and consummate the transactions contemplated by this Agreement. The execution and delivery by CannaBunker of the Transaction Documents and the consummation of the transactions contemplated thereby have been duly authorized by all necessary action on the part of CannaBunker. The Transaction Documents have, or will have at Closing, been duly executed and delivered by CannaBunker and constitute legal, valid and binding obligations of CannaBunker, enforceable against CannaBunker in accordance with their respective terms, except to the extent that (a) their enforceability may be limited by applicable bankruptcy, insolvency, reorganization or other laws affecting the enforcement of creditors' rights generally, and (b) the availability of equitable remedies is subject to the discretion of the court before which any such proceeding may be brought.
- 7.4 **No Conflict.** Neither the execution and delivery of this Agreement by CannaBunker nor the performance by CannaBunker of the provisions hereof or the transactions contemplated hereby will (a) violate or conflict with CannaBunker's articles or notice of articles; (b)

violate or conflict with any law, rule, regulation, writ, judgment, injunction, decree, determination, award or other order of any court, government or governmental agency or instrumentality, domestic or foreign, that is applicable to CannaBunker; or (c) result in a breach of any of the terms or conditions of, constitute a default under, result in the termination, amendment, suspension, modification, abandonment or acceleration of payment (or any right to terminate), or require consent under, any indenture, mortgage, deed of trust, agreement, joint venture, lease, franchise, certificate, consent, permit, license, authority or other instrument to which CannaBunker is a party or otherwise bound, or by which any of its properties or assets may be bound or affected. To CannaBunker's Knowledge, no consent, approval, order or authorization of or from, or registration, notification, declaration or filing with any individual or entity is required to be obtained by CannaBunker in connection with the execution, delivery or performance of this Agreement or the consummation of the transactions contemplated herein.

- 7.5 **Assets and Liabilities.** As of Closing, CannaBunker has no material assets or liabilities other than approximately Ca\$2,222,733.04 in cash.
- 7.6 **Litigation.** There are no material actions, suits, appeals, claims, applications, orders, investigations, proceedings, grievances, arbitrations, or alternative dispute resolution processes in process or, to CannaBunker's Knowledge, pending or threatened against CannaBunker, its assets or business.
- 7.7 **Limited Business Activity.** CannaBunker is a newly formed company, which was formed for the purpose of completing the transactions contemplated by this Agreement. Since incorporation, CannaBunker has not conducted any material business or operations other than execution of a letter of intent with Bunker Plant Extracts UG.

ARTICLE 8 LOEBENBERG'S REPRESENTATIONS AND WARRANTIES

Loebenberg represents and warrants to CannaBunker that the statements contained in this Article 8 are true and correct as of the Effective Date except for any such representations and warranties that are made as of a specific date, which are made only as of that date.

- 8.1 **Execution and Delivery; Enforceability.** This Agreement and each of the other Transaction Documents has been duly executed and delivered by Loebenberg and constitute legal, valid and binding obligations of Loebenberg, enforceable against Loebenberg in accordance with their respective terms, except to the extent that (a) their enforceability may be limited by applicable bankruptcy, insolvency, reorganization or other laws affecting the enforcement of creditors' rights generally, and (b) the availability of equitable remedies is subject to the discretion of the court before which any such proceeding may be brought.
- 8.2 **License.** The License is valid, and Loebenberg has taken all necessary action to maintain the validity of the License, including the filing of any and all reports, submissions and other documentation with the relevant regulatory authorities. No loss or expiration of the License is pending or threatened, other than expiration in accordance with the terms thereof.
- 8.3 **Compliance.** Loebenberg has complied with the terms and conditions of the License in all material respects. Loebenberg has not received any notices, nor does he have any other

reason to believe, that he is in violation of any of the terms or conditions of the License or of any Applicable Laws relating thereto. Loebenberg has the power, authority and capability to carry on his current and proposed activities under the License including, without limitation, his obligations under the Transaction Documents. Loebenberg is not aware of any current or future circumstance that may materially affect the validity of the License or Loebenberg's activities under or in connection with the License, including the performance of any of the Licensed Activities, nor does he have any reason to believe that the License will not be available for use by Loebenberg on the same terms and conditions immediately subsequent to the Closing.

- 8.4 **Exclusivity.** Except for rights and interests to which the University is entitled pursuant to Loebenberg's employment agreement with the University and applicable University rules and policies, no Person other than CannaBunker has any right, title, interest, option, promise or agreement, whether under contract or arising by operation of law, to (a) perform or derive benefit from any of the Licensed Activities, or (b) purchase or use any interest in the License, the Developed Intellectual Property (including any part thereof), or the services of Loebenberg in connection with the Licensed Activities, for any commercial purposes.
- 8.5 **No Conflict.** Neither the execution and delivery of the Transaction Documents by Loebenberg, nor the performance by Loebenberg of the provisions thereof or the transactions contemplated thereby, will (a) violate or conflict with any Applicable Law, rule, regulation, writ, judgment, injunction, decree, determination, award or other order of any court, government or governmental agency or instrumentality, domestic or foreign, that is applicable to Loebenberg; or (b) result in a breach of any of the terms or conditions of, constitute a default under, result in the termination, amendment, suspension, modification, abandonment or acceleration of payment (or any right to terminate), under, any license (including the License), permit, approval, indenture, mortgage, deed of trust, agreement, joint venture, lease, franchise, certificate, authority or other instrument to which Loebenberg is a party or otherwise bound, or by which any of his properties or assets may be bound or affected, as they may be amended from time to time.
- 8.6 **Approvals.** Except for the Dean's Approval, to Loebenberg's Knowledge, no consent, approval, order or authorization of or from, or registration, notification, declaration or filing with any individual or entity, including without limitation, any Governmental Authority or any other Person, is required to be obtained by Loebenberg in connection with the execution, delivery or performance of this Agreement or the consummation of the transactions contemplated herein.
- 8.7 **No Restrictions.** Loebenberg is not under any current obligation or restriction, that does or could interfere or conflict with the performance of Loebenberg's obligations or the exercise of CannaBunker's rights under the Transaction Documents other than agreements with the University (and/or University rules and policies).
- 8.8 **Litigation.** There are no material actions, suits, appeals, claims, applications, orders, investigations, proceedings, grievances, arbitrations, or alternative dispute resolution processes in process or, to the Knowledge of Loebenberg, pending or threatened against Loebenberg or any Person Controlled by Loebenberg relating to or arising in connection with the License, Loebenberg's activities under or in connection with the License, or any Intellectual Property developed in whole or in part by Loebenberg, or that will materially adversely affect or, so far as he can foresee, may materially adversely affect his properties, assets, Intellectual Property, the License, the Licensed Activities, or Loebenberg's ability

to fulfil his obligations under the Transaction Agreements including, without limitation, the development of the Developed Intellectual Property.

ARTICLE 9 TERMINATION

9.1 **Termination Events.** Subject to Section 9.2, this Agreement may be terminated as follows:

- (a) by mutual consent of Loebenberg and CannaBunker;
- (b) by either party, effective on written notice to the other party, if the other party materially breaches this Agreement, and such breach:
 - (i) is incapable of cure; or
 - (ii) being capable of cure, remains uncured 30 days after the non-breaching party provides the breaching party with written notice of such breach; and
- (c) by Loebenberg, effective on written notice to CannaBunker, effective immediately upon written notice to CannaBunker, if CannaBunker:
 - (i) fails to pay its debts generally, due to lack of funds, as they become due or otherwise acknowledges its insolvency;
 - (ii) ceases to carry on business in the ordinary course;
 - (iii) makes a general assignment for the benefit of its creditors;
 - (iv) has issued against it a bankruptcy order or otherwise becomes subject to any involuntary proceeding under any domestic or foreign bankruptcy Law;
 - (v) commences or institutes any application, proceeding or other action under any law relating to bankruptcy, insolvency, relief or protection of debtors, compromise of debts or similar laws, seeking:
 - (A) to have an order for relief entered with respect to it;
 - (B) to adjudicate it as bankrupt or insolvent; or
 - (C) appointment of a receiver, interim receiver, receiver and manager, trustee, custodian, conservator or other similar official for it or for all or any substantial part of its assets;
- (d) by CannaBunker at any time if the Licence is terminated (without being concurrently renewed or replaced with an equivalent licence) during the Initial Period for any reason, other than (i) as a result of a change in applicable law governing the Licence; or (ii) primarily as a result of a wrongful or negligent act or omission of CannaBunker (all subject to Section 3.1(d)).

9.2 **Effect of Termination.** Each Party's right of termination under Section 9.1 is in addition to any other right it may have under this Agreement or otherwise, and the exercise of a

Party's right of termination will not constitute an election of remedies. If this Agreement is terminated pursuant to Section 9.1, this Agreement will be of no further force or effect; provided, however, that (a) this Section 9.2 and Article 10 and Article 11 will survive the termination of this Agreement and will remain in full force and effect, and (b) the termination of this Agreement will not relieve any party from any liability for any breach of this Agreement occurring prior to termination.

ARTICLE 10 LIMITATION OF LIABILITY

- 10.1 In no event shall either Party be liable for and both Parties hereby waive the right to claim, any indirect, special, incidental, or consequential damages (including lost profits) directly or indirectly relating to or arising out of the breach of this Agreement, regardless of the form of action, whether in contract, tort (including negligence) strict liability, or otherwise, and whether or not such damages were foreseen or unforeseen, even if either Party has been advised of the possibility thereof.
- 10.2 In no event will Loebenberg's aggregate liability arising out of or related to this Agreement, whether arising out of or related to breach of contract, tort (including negligence), or otherwise, exceed the total of the amounts paid to Loebenberg under the Consulting Agreement plus the value of the Consideration Shares at the time of any incident giving rise to liability.

ARTICLE 11 MISCELLANEOUS PROVISIONS

- 11.1 **Expenses.** The Parties will each bear their own costs and expenses (a) incurred prior to the Effective Date, and (b) relating to the negotiation and the implementation of the transactions contemplated hereby, including, without limitation, fees and expenses of legal counsel, accountants, consultants and other representatives. Notwithstanding the foregoing, subject to Closing, CannaBunker shall reimburse Loebenberg for reasonable legal and accounting fees incurred in connection with this Agreement and the transactions contemplated hereby for which Loebenberg provides written invoices or other written evidence, to a maximum of Ca\$20,000.
- 11.2 **Amendment and Modification.** This Agreement may be amended or modified by the Parties hereto with respect to any of the terms contained herein; provided, however, that all such amendments and modifications must be in writing duly executed by Loebenberg and CannaBunker.
- 11.3 **No Third Party Beneficiaries.** This Agreement will not confer any rights or remedies upon any Person other than the Parties and their respective successors and permitted assigns.
- 11.4 **No Waiver.** Neither any failure nor any delay by a Party in exercising any right, power, or privilege under this Agreement or any of the other Transaction Documents will operate as a waiver of such right, power, or privilege, and no single or partial exercise of any right, power, or privilege will preclude any other or further exercise of that right, power, or privilege or the exercise of any other right, power, or privilege. To the maximum extent permitted by Applicable Law (a) no claim or right arising out of this Agreement or any other Transaction Documents can be waived by a Party, in whole or in part, unless made in

a writing signed by such Party; (b) a waiver given by a Party will only be applicable to the specific instance for which it is given; and (c) no notice to or demand on a Party will (i) waive or otherwise affect any obligation of that Party, or (ii) affect the right of the Party giving the notice or demand to take further action without notice or demand as provided in this Agreement or the other Transaction Documents.

- 11.5 **Notices.** All notices, requests, demands and other communications required or permitted hereunder will be made in writing and will be deemed to have been duly given and effective: (a) on the date of delivery, if delivered personally or by courier; (b) on the earlier of the fourth (4th) day after mailing or the date of the return receipt acknowledgment, if mailed, postage prepaid, by certified or registered mail, return receipt requested; or (c) on the date of transmission, if sent by facsimile or email prior to 4:00 p.m. local time at the place of delivery:

if to CannaBunker:

CannaBunker Development Corp
1055 West Georgia Street, 1500 Royal Centre
Vancouver, BC Canada V6E 4N7

Attention: Hugh Rogers
Email: hughrogersinc@gmail.com
Fax: 604-685-7084

if to Loebenberg:

Dr. Raimar Loebenberg
c/o 7721 111 Street NW
Edmonton, Alberta T6G 1H3

Email: raimar@ualberta.ca
Tel: 780-436-2757

or to such other address as a Party will furnish to the other Party hereto in writing in accordance with this Section 11.5; provided, however, that any notices delivered on a Saturday, Sunday or public holiday, or after 4:00 pm in the place of receipt, will be deemed to have been delivered at 9:00 am on the next succeeding business day.

- 11.6 **Assignment.** This Agreement and all of the provisions hereof will be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns. Loebenberg acknowledges and agrees that CannaBunker has entered into this Agreement with him on the basis of his unique skills and expertise and, accordingly, neither this Agreement nor any of Loebenberg's rights, interests or obligations under this Agreement may be assigned or delegated by Loebenberg without the prior written consent of CannaBunker, which consent may be granted or withheld at CannaBunker's discretion. Unless prohibited by Applicable Law, CannaBunker may, upon written notice to Loebenberg, assign this Agreement or any of its rights or obligations under this Agreement: (a) to one or more of its Affiliates, or (b) to any other Person in connection with a sale of substantially all of the equity or assets of CannaBunker.

- 11.7 **Announcements.** The Parties agree that no press release, public statement or announcement, or other public disclosure with respect to this Agreement, or the transactions contemplated by this Agreement may be made except with the prior written consent of the other Party; provided, however, that the foregoing will not restrict or prohibit either Party from making, after consultation with the other Party, such disclosure as its counsel advises is required by Applicable Law or the rules and policies of the CSE.
- 11.8 **Governing Law; Jurisdiction.**
- (a) This Agreement is governed by and shall be interpreted and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein, without giving effect to principles of conflicts of laws thereof.
 - (b) Each Party irrevocably attorns and submits to the exclusive jurisdiction of the British Columbia courts situated in the City of Vancouver and waives objection to the venue of any proceeding in that court or that court provides an inconvenient forum.
- 11.9 **Entire Agreement.** This Agreement, including its Exhibit(s), and the other Transaction Documents to which the Parties are parties, constitute the entire agreement between the Parties with respect to the transactions contemplated by this Agreement, and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Parties with respect thereto. The Parties have not relied and are not relying on any other representations, warranties, conditions, information, discussions or understandings, express or implied, in entering into and completing the transactions contemplated by this Agreement. This Agreement and the other Transaction Documents supersede all prior agreements and understandings between the Parties with respect to the transactions contemplated by this Agreement.
- 11.10 **Severability.** The illegality, invalidity or unenforceability of any provision of this Agreement or portion of a provision, shall not affect the legality, validity or enforceability of any other provision of this Agreement or the remaining portion of the applicable provision.
- 11.11 **Independent Legal Advice.**
- (a) Loebenberg acknowledges and agrees that he has been advised to, and has been provided with the opportunity to, obtain independent legal advice with respect to this Agreement, the other Transaction Documents, and the transactions contemplated here and thereby.
 - (b) Each Party to this Agreement represents, warrants and agrees that he or it fully understands the nature and effects of this Agreement and the other Transaction Documents and has executed and delivered such documents freely and voluntarily and as their own act and deed without fear, threat, influence or compulsion from, of or by CannaBunker or any other party.
- 11.12 **Counterparts.** This Agreement may be executed simultaneously with original, facsimile, or .pdf signatures in one or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.


IN WITNESS WHEREOF, the Parties hereto have caused this Exclusive Dealing Agreement to be duly executed as of the day and year first above written.

SIGNED, SEALED and DELIVERED by)
DR. RAIMAR LOEBENBERG in the)
presence of:)

Neal Davies)
Name Mr. Neal Davies)

2549 Cameron Ravine)
Address Landing)
Edmonton, Canada)

Dean & Professor)
Occupation)



DR. RAIMAR LOEBENBERG

CANNABUNKER DEVELOPMENT
CORP. by its authorized signatory:

Per:

Name: Hugh Rogers
Title: President

IN WITNESS WHEREOF, the Parties hereto have caused this Exclusive Dealing Agreement to be duly executed as of the day and year first above written.

SIGNED, SEALED and DELIVERED by)
DR. RAIMAR LOEBENBERG in the)
presence of:)

_____)
Name)

_____)
Address)

_____)
Occupation)

DR. RAIMAR LOEBENBERG

**CANNABUNKER DEVELOPMENT
CORP.** by its authorized signatory:

Per: _____
Name: Hugh Rogers
Title: President

Exhibit A

Escrow Release Schedule

Escrow Release Date	Number of Consideration Shares
On the earlier of: (i) the date CannaBunker's securities are listed on a the Canadian Securities Exchange; and (ii) 6 months after the Effective Date (the "initial release date")	1/10 of the Consideration Shares
6 months after the initial release date	1/6 of the remaining Consideration Shares
12 months after the initial release date	1/5 of the remaining Consideration Shares
18 months after the initial release date	1/4 of the remaining Consideration Shares
24 months after the initial release date	1/3 of the remaining Consideration Shares
30 months after the initial release date	1/2 of the remaining Consideration Shares
36 months after the initial release date	The remaining Consideration Shares