EXECUTION VERSION

AGREEMENT AND PLAN OF MERGER

among

Australis Capital Inc.,
an Alberta corporation

and

Fern Merger Sub, LLC,
a Colorado limited liability company

and

Folium Equity Holding LLC,
a Colorado limited liability company

and

Kashif Shan

dated as of

December 10, 2019

AGREEMENT AND PLAN OF MERGER

This Agreement and Plan of Merger (this "Agreement"), dated as of December 10, 2019, is entered into among Australis Capital Inc., an Alberta corporation ("Parent"), Fern Merger Sub, LLC, a Colorado limited liability company and wholly-owned Subsidiary (as defined below) of Parent ("Merger Sub"), Folium Equity Holding LLC, a Colorado limited liability company (the "Company"), and Kashif Shan, solely in his capacity as Member Representative ("Member Representative").

RECITALS

WHEREAS, the parties intend that Merger Sub be merged with and into the Company, with the Company surviving that merger on the terms and subject to the conditions set forth herein (the "Merger");

WHEREAS, the board of managers of the Company (the "Company Board") has (a) determined that this Agreement and the transactions contemplated hereby, including the Merger, are in the best interests of the Company and its Members, (b) approved and declared advisable this Agreement and the transactions contemplated hereby, including the Merger, and (c) resolved to recommend adoption of this Agreement by the Members of the Company in accordance with the Colorado Corporations and Associations Act, C.R.S. §§ 7-90-101 et seq. (the "Act");

WHEREAS, following the execution of this Agreement, the Company shall seek to obtain, in accordance with Section 7-90-203.4. of the Act, a written consent of its Members approving this Agreement, the Merger and the transactions contemplated hereby in accordance with Section 7-90-203.4. of the Act;

WHEREAS, the board of directors of Parent (the "Parent Board") and board of managers of Merger Sub (the "Merger Sub Board") have (a) determined that this Agreement and the transactions contemplated hereby, including the Merger, are in the best interests of Parent, Merger Sub, and their respective equityholders, and (b) approved and declared advisable this Agreement and the transactions contemplated hereby, including the Merger;

WHEREAS, the Parent Board has resolved to recommend that the holders of shares of Parent Common Stock, approve the Merger on the terms and subject to the conditions set forth in this Agreement;

WHEREAS, for U.S. federal income Tax purposes, the parties intend that the Merger qualify as a contribution by the Members of their Company Common Units to Parent in a transaction intended to qualify under Section 351(a) of the Code of 1986, as amended (the "Code"); and

WHEREAS, the parties desire to make certain representations, warranties, covenants, and agreements in connection with the Merger and the other transactions contemplated by this Agreement and also to prescribe certain terms and conditions to the Merger.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

ARTICLE I
DEFINITIONS

The following terms have the meanings specified or referred to in this Article I:

"2014 Farm Bill" means the Agricultural Act of 2014.

"2018 Farm Bill" means the Agricultural Improvement Act of 2018.

"Acceptable Confidentiality Agreement" means a confidentiality and standstill agreement that contains confidentiality and standstill provisions that are no less favorable to a party hereof than those contained in the Confidentiality Agreement.

"Acquisition Agreement" any agreement in principle, letter of intent, term sheet, acquisition agreement, merger agreement, option agreement, joint venture agreement, partnership agreement, or other Contract relating to any Takeover Proposal.

"Acquisition Proposal" has the meaning set forth in Section 5.04(a).

"Act" has the meaning set forth in the recitals.

"Action" means any claim, action, cause of action, demand, lawsuit, arbitration, inquiry, audit, notice of violation, proceeding, litigation, citation, summons, subpoena or investigation of any nature, civil, criminal, administrative, regulatory or otherwise, whether at law or in equity.

"Affiliate" of a Person means any other Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such Person. The term "control" (including the terms "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

"Agreement" has the meaning set forth in the preamble.

"Audited Financial Statements" has the meaning set forth in Section 6.02(h).

"Balance Sheet" has the meaning set forth in Section 3.06.

"Balance Sheet Date" has the meaning set forth in Section 3.06.

"Book-Entry Unit" has the meaning set forth in Section 2.07(c).

"Business" means the business of the Company and its Subsidiaries, including with respect to the manufacturing and distribution of branded hemp-based cannabidiol infused ingestible and personal care products.

"Business Day" means any day except Saturday, Sunday or any other day on which commercial banks located in the Province of Alberta, the State of Nevada or the State of Colorado are authorized or required by Law to be closed for business.

"Cancelled Units" has the meaning set forth in Section 2.07(a).

"Cannabis" means: (a) any plant or seed, whether live or dead, from any species or subspecies of genus Cannabis, including Cannabis sativa, Cannabis indica and Cannabis ruderalis, Marijuana (as defined in the Controlled Substances Act of the United States, 21 U.S.C. § 801 et seq.) and Industrial Hemp and any part, whether live or dead, of the plant or seed thereof, including any stalk, branch, root, leaf, flower or trichome; (b) any material obtained, extracted, isolated or purified from the plant or seed or the parts contemplated by clause (a) of this definition, including any oil, cannabinoid, terpene, genetic material or any combination thereof; (c) any organism engineered to biosynthetically produce the material contemplated by clause (b) of this definition, including any micro-organism engineered for such purpose; (d) any biologically or chemically synthesized version of the material contemplated by clause (b) of this definition or any analog thereof, including any product made by any organism contemplated by clause (c) of this definition; and (e) any other meaning ascribed to the term "cannabis" under applicable Law.

"Cap" has the meaning set forth in Section 7.03(d).

"CBD" means cannabidiol, a phytocannabinoid derived from the Cannabis plant.

"CERCLA" means the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended.

"Certificate" has the meaning set forth in Section 2.07(c).

"Charter Documents" means: (a) with respect to a corporation, the charter, articles or certificate of incorporation, as applicable, and bylaws thereof; (b) with respect to a limited liability company, the articles or certificate of organization or formation, as applicable, and the operating or limited liability company agreement, as applicable, thereof; (c) with respect to a partnership, the certificate of formation and the partnership agreement; and (d) with respect to any other Person the organizational, constituent or governing documents or instruments of such Person.

"Company Class A Units" means the "Class A Units" of the Company (as defined in the Company Operating Agreement).

"Company Class B Units" means the "Class B Units" of the Company (as defined in the Company Operating Agreement).

"Closing" has the meaning set forth in Section 2.02.

"Closing Date" has the meaning set forth in Section 2.02.

"Code" has the meaning set forth in the recitals.

"Company" has the meaning set forth in the preamble.

"Company Benefit Plan" has the meaning set forth in Section 3.20(a).

"Company Board" has the meaning set forth in the recitals.

"Company Board Recommendation" has the meaning set forth in Section 3.02(b).

"Company Common Units" means the "Units" of the Company (as such term is defined in the Company Operating Agreement), including the Company Class A Units and Company Class B Units.

"Company Convertible Securities" means any instrument disclosed or that would be required to be disclosed in Section 3.04(c) of the Company Disclosure Letter, but excluding the [redacted] **[Description - name of lender redacted]** Convertible Notes.

"Company Disclosure Letter" means the disclosure letter, dated as of the date of this Agreement and delivered by the Company to Parent concurrently with the execution of this Agreement.

"Company ERISA Affiliate" means all employers (whether or not incorporated) that would be treated together with the Company or any of its Affiliates as a "single employer" within the meaning of Section 414 of the Code.

"Company Equity Financing" has the meaning set forth in Section 5.01(b).

"Company Group" means the Company and its Subsidiaries and "Company Group Member" means each of the Company and its Subsidiaries, individually.

"Company Indemnified Party" has the meaning set forth in Section 5.11(a).

"Company Intellectual Property" means all Intellectual Property that is owned or held for use by the Company Group.

"Company IP Agreements" means all licenses, sublicenses, consent to use agreements, settlements, coexistence agreements, covenants not to sue, permissions and other Contracts (including any right to receive or obligation to pay royalties or any other consideration), whether written or oral, relating to Intellectual Property to which any Company Group Member is a party, beneficiary or otherwise bound.

"Company IP Registrations" means all Company Intellectual Property that is subject to any issuance registration, application or other filing by, to or with any Governmental Authority or authorized private registrar in any jurisdiction, including registered trademarks, domain names and copyrights, issued and reissued patents and pending applications for any of the foregoing.

"Company Operating Agreement" means that certain Membership and Operating Agreement of Folium Equity Holding LLC, executed on or about July 27, 2019, as amended from time to time.

"Company Systems" has the meaning set forth in Section 3.12(h).

"Company Termination Fee" means Company Class A Units equal to 0.375% of the total outstanding equity interests of the Company.

"Consideration Spreadsheet" has the meaning set forth in Section 2.12.

"Contracts" means all contracts, leases, deeds, mortgages, licenses, instruments, notes, commitments, undertakings, indentures, joint ventures and all other agreements, commitments and legally binding arrangements, whether written or oral.

"Controlled Substances Laws" means the Controlled Substances Act of the United States, 21 U.S.C. §§ 801 et seq., the Controlled Substances Import and Export Act, 21 U.S.C. §§ 952 et seq., and similar state and local laws.

"CSE" means the Canadian Securities Exchange.

"Deductible" has the meaning set forth in Section 7.03(a).

"Direct Claim" has the meaning set forth in Section 7.04(c).

"Dollars" or "$" means the lawful currency of the United States.

"EBIT" means with respect to any period, net income before interest and income taxes for such period.

"Effective Time" has the meaning set forth in Section 2.03.

"Encumbrance" means any charge, claim, community property interest, pledge, condition, equitable interest, lien (statutory or other), option, security interest, mortgage, easement, encroachment, right of way, right of first refusal, or restriction of any kind, including any restriction on use, voting, transfer, receipt of income or exercise of any other attribute of ownership.

"End Date" has the meaning set forth in Section 8.02(a).

"Environmental Claim" means any Action, Governmental Order, lien, fine, penalty, or, as to each, any settlement or judgment arising therefrom, by or from any Person alleging liability of whatever kind or nature (including liability or responsibility for the costs of enforcement proceedings, investigations, cleanup, governmental response, removal or remediation, natural resources damages, property damages, personal injuries, medical monitoring, penalties, contribution, indemnification and injunctive relief) arising out of, based on or resulting from: (a) the presence, Release of, or exposure to, any Hazardous Materials; or (b) any actual or alleged non-compliance with any Environmental Law or term or condition of any Environmental Permit.

"Environmental Law" means any applicable Law, and any Governmental Order or binding agreement with any Governmental Authority: (a) relating to pollution (or the cleanup thereof) or the protection of natural resources, endangered or threatened species, human health or

safety, or the environment (including ambient air, soil, surface water or groundwater, or subsurface strata); or (b) concerning the presence of, exposure to, or the management, manufacture, use, containment, storage, recycling, reclamation, reuse, treatment, generation, discharge, transportation, processing, production, disposal or remediation of any Hazardous Materials. The term "Environmental Law" includes, without limitation, the following (including their implementing regulations and any state analogs): CERCLA, 42 U.S.C. §§ 9601 et seq.; the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976, as amended by the Hazardous and Solid Waste Amendments of 1984, 42 U.S.C. §§ 6901 et seq.; the Federal Water Pollution Control Act of 1972, as amended by the Clean Water Act of 1977, 33 U.S.C. §§ 1251 et seq.; the Toxic Substances Control Act of 1976, as amended, 15 U.S.C. §§ 2601 et seq.; the Emergency Planning and Community Right-to-Know Act of 1986, 42 U.S.C. §§ 11001 et seq.; the Clean Air Act of 1966, as amended by the Clean Air Act Amendments of 1990, 42 U.S.C. §§ 7401 et seq.; and the Occupational Safety and Health Act of 1970, as amended, 29 U.S.C. §§ 651 et seq.

"Environmental Notice" means any written directive, notice of violation or infraction, or notice respecting any Environmental Claim relating to actual or alleged non-compliance with any Environmental Law, any term or condition of any Environmental Permit, or any Release of Hazardous Materials.

"Environmental Permit" means any Permit, letter, clearance, consent, waiver, closure, exemption, decision or other action required under or issued, granted, given, authorized by or made pursuant to Environmental Law.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended, and the regulations promulgated thereunder.

"Escrow Agent" means Western Alliance Bank, acting as escrow agent under the Escrow Agreement.

"Escrow Agreement" means the escrow agreement to be entered into among Parent, Merger Sub, Member Representative, and the Escrow Agent with respect to the Escrowed Shares.

"Escrowed Shares" has the meaning set forth in Section 2.08(b)(ii)(A).

"Exchange Act" means the Securities and Exchange Act of 1933, as amended.

"Exchange Agent" has the meaning set forth in Section 2.08(a).

"Exchange Ratio" means an amount equal to (a) the sum of (i) the total number of Issuable Shares plus (ii) the Net Asset Shortfall Shares (if any), divided by (b) the total number of Company Common Units (other than Cancelled Units) issued and outstanding as of the Closing Date and immediately prior to the Effective Time (as shown on the Consideration Spreadsheet).

"FDA" means the U.S. Food and Drug Administration.

"Financial Statements" has the meaning set forth in Section 3.06.

"Food, Drug & Cosmetic Laws" has the meaning set forth in Section 3.26(a).

"Fundamental Representations" means the representations and warranties in any of Section 3.01 (Organization and Qualification), Section 3.02(a) (Authority), Section 3.04 (Capitalization), or Section 3.25 (Brokers).

"GAAP" means United States generally accepted accounting principles in effect from time to time.

"[redacted] **[Description - name of lender redacted]** Convertible Notes" means any convertible notes issued by the Company to [redacted] **[Description - name of lender redacted]**.

"Governmental Antitrust Authority" has the meaning set forth in Section 5.12(b).

"Governmental Authority" means any federal, state, local or foreign government or political subdivision thereof, or any agency or instrumentality of such government or political subdivision, or any self-regulated organization or other non-governmental regulatory authority or quasi-governmental authority (to the extent that the rules, regulations or orders of such organization or authority have the force of Law), or any arbitrator, court or tribunal of competent jurisdiction.

"Governmental Order" means any order, writ, judgment, injunction, decree, stipulation, determination or award entered by or with any Governmental Authority.

"Hazardous Materials" means: (a) any material, substance, chemical, waste, product, derivative, compound, mixture, solid, liquid, mineral or gas, in each case, whether naturally occurring or manmade, that is hazardous, acutely hazardous, toxic, or words of similar import or regulatory effect under Environmental Laws; and (b) any petroleum or petroleum-derived products, radon, per- and polyfluoroalkyl substances, radioactive materials or wastes, asbestos in any form, lead or lead-containing materials, urea formaldehyde foam insulation, and polychlorinated biphenyls.

"HSR Act" means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended.

"IFRS" means International Financial Reporting Standards as issued by the International Accounting Standards Board that are applicable to public issuers in Canada.

"Imputed Underpayment" has the meaning set forth in Section 2.11(b).

"Indebtedness" means, without duplication and with respect to the Company Group, all (a) indebtedness for borrowed money; (b) obligations for the deferred purchase price of property or services, (c) long or short-term obligations evidenced by notes, bonds, debentures or other similar instruments; (d) obligations under any interest rate, currency swap or other hedging agreement or arrangement; (e) capital lease obligations; (f) reimbursement obligations under any letter of credit, banker's acceptance or similar credit transactions; (g) guarantees made by any

Company Group Member on behalf of any third party in respect of obligations of the kind referred to in the foregoing clauses (a) through (f); and (h) any unpaid interest, prepayment penalties, premiums, costs and fees that would arise or become due as a result of the prepayment of any of the obligations referred to in the foregoing clauses (a) through (g).

"Indemnified Party" has the meaning set forth in Section 7.04.

"Indemnifying Party" has the meaning set forth in Section 7.04.

"Industrial Hemp" has the meaning ascribed to such term and the term "hemp" under applicable Law, including the Industrial Hemp Regulations (Canada) issued under the Cannabis Act and under the Agricultural Marketing Act of 1946.

"Insurance Policies" has the meaning set forth in Section 3.16.

"Intellectual Property" means all intellectual property and industrial property rights and assets, and all rights, interests and protections that are associated with, similar to, or required for the exercise of, any of the foregoing, however arising, pursuant to the Laws of any jurisdiction throughout the world, whether registered or unregistered, including any and all: (a) trademarks, service marks, trade names, brand names, logos, trade dress, design rights and other similar designations of source, sponsorship, association or origin, together with the goodwill connected with the use of and symbolized by, and all registrations, applications and renewals for, any of the foregoing; (b) internet domain names, whether or not trademarks, registered in any top-level domain by any authorized private registrar or Governmental Authority, web addresses, web pages, websites and related content, accounts with Twitter, Facebook and other social media companies and the content found thereon and related thereto, and URLs; (c) works of authorship, expressions, designs and design registrations, whether or not copyrightable, including copyrights, author, performer, moral and neighboring rights, and all registrations, applications for registration and renewals of such copyrights; (d) inventions, invention disclosures, discoveries, processes, techniques, trade secrets, business and technical information and know-how, databases, data collections and other confidential and proprietary information and all rights therein; (e) patents (including all reissues, divisionals, provisionals, continuations and continuations-in-part, re-examinations, renewals, substitutions and extensions thereof), patent applications, and other patent rights and any other Governmental Authority-issued indicia of invention ownership (including inventor's certificates, petty patents and patent utility models); and (f) software and firmware, including data files, source code, object code, application programming interfaces, architecture, files, records, schematics, computerized databases and other related specifications and documentation.

"Interim Balance Sheet" has the meaning set forth in Section 3.06.

"Interim Balance Sheet Date" has the meaning set forth in Section 3.06.

"Interim Financial Statements" has the meaning set forth in Section 3.06.

"Issuable Shares" means:

(A) if the [redacted] **[Description - name of lender redacted]** Convertible Notes have been repaid or converted prior to the Closing, an amount equal to 89% multiplied by a fraction, the numerator of which is the total number of Pre-Merger Outstanding Shares and the denominator of which is 11%.

(B) if the [redacted] **[Description - name of lender redacted]** Convertible Notes have not been repaid or converted prior to the Closing, an amount equal to 85.86275% multiplied by a fraction, the numerator of which is the total number of Pre-Merger Outstanding Shares and the denominator of which is 14.13725%.

"Key Shareholder Lockup Agreement" means an agreement by and among the Parent Key Shareholders and the Specified Members, in form and substance reasonably satisfactory to the Parent Key Shareholders and the Specified Members, which shall provide that if the Parent Common Stock issued to the Specified Members in accordance with this Agreement are subject to transfer restrictions by operation of Law or otherwise, then the Parent Common Stock held by the Parent Key Shareholders shall likewise be subject to customary lockup provisions for a duration of time equal to the duration of the transfer restrictions applicable to the Parent Common Stock held by the Specified Members, provided, that such Key Shareholder Lockup Agreement shall permit the Parent Key Shareholders to sell, dispose or otherwise transfer such number of Parent Common Stock as are necessary to (i) satisfy any Tax liabilities incurred by such Parent Key Shareholder in connection with the Merger and the transactions contemplated hereby and/or in connection with the settlement or exercise of any Parent Stock Options or Parent Restricted Stock Unit and/or (ii) pay any amounts necessary to satisfy strike prices in connection with the vesting or exercise of any Parent Stock Options.

"Knowledge" means: (a) with respect to the Company, the actual or constructive knowledge of each of [redacted] and [redacted] **[Description - names of individuals redacted]** after due inquiry; and (b) with respect to Parent, the actual or constructive knowledge of each of [redacted] and [redacted] **[Description - names of individuals redacted]** after due inquiry.

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

"Liabilities" has the meaning set forth in Section 3.07.

"Losses" means losses, damages, liabilities, deficiencies, Actions, judgments, interest, awards, penalties, fines, Taxes, costs or expenses of whatever kind, including reasonable attorneys' fees and/or accountants' fees and the cost of investing and/or enforcing any right to indemnification hereunder and the cost of pursuing any insurance providers; provided, however, that exemplary, punitive, special, consequential, and incidental damages and any lost profits and diminution in value are excluded from this definition of Losses.

"Majority Holders" has the meaning set forth in Section 9.01(b).

"Material Adverse Effect" means any event, occurrence, fact, condition or change that is, or could reasonably be expected to become, individually or in the aggregate, materially adverse to (a) the Business, results of operations, condition (financial or otherwise) or assets of the Company, or (b) the ability of the Company to consummate the transactions contemplated hereby on a timely basis; provided, however, that "Material Adverse Effect" shall not include 9

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 Company Group operates; (iii) any changes in financial or securities markets in general; (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, including GAAP or IFRS; or (vii) the public announcement, pendency or completion of the transactions contemplated by this Agreement; provided further, however, that any event, occurrence, fact, condition or change referred to in clauses (i) through (iv) immediately above shall be taken into account in determining whether a Material Adverse Effect has occurred or could reasonably be expected to occur to the extent that such event, occurrence, fact, condition or change has a disproportionate effect on the Company Group compared to other participants in the industries in which the Company Group conducts its businesses.

"Material Contracts" has the meaning set forth in Section 3.09(a).

"Member" means a holder of Company Common Units.

"Member Notice" has the meaning set forth in Section 5.05(b).

"Member Representative" has the meaning set forth in the preamble.

"Merger" has the meaning set forth in the recitals.

"Merger Consideration" has the meaning set forth in Section 2.07(b).

"Merger Sub" has the meaning set forth in the preamble.

"Merger Sub Board" has the meaning set forth in the recitals.

"Net Asset Shortfall Amount" means the amount, if any, by which the sum total of the Net Asset Value of Parent as of the Closing Date and immediately prior to the Effective Time is less than $35,000,000.

"Net Asset Shortfall Shares" means the number of whole shares of Parent Common Stock (rounded down to the nearest whole share) that equal the Net Asset Shortfall Amount (if any) calculated using the volume weighted average closing price per share of common stock of Parent on the CSE for the 10 consecutive trading days ending two Business Days prior to the Closing Date.

"Net Asset Value" means the sum total of (i) total value of Parent's assets minus the total value of Parent's liabilities, determined by a nationally-recognized independent valuation or accounting firm in accordance with IFRS, plus (ii) the fees and expenses incurred by Parent after the date hereof but prior to Closing for actions or activities requested by the Company in writing (including marketing activities on behalf of the Company and any actions taken by Parent toward listing any equity securities of Parent or any of its Affiliates on a stock exchange other than the CSE).

"Other Governmental Approvals" has the meaning set forth in Section 3.03(b).

"Parent" has the meaning set forth in the preamble.

"Parent Adverse Recommendation Change" shall mean the Parent Board: (a) withdrawing, amending, modifying, or materially qualifying, or failing to make, in a manner adverse to the Company, the Parent Board Recommendation; (b) failing to include the Parent Board Recommendation in the Proxy Statement that is mailed to the Parent's stockholders; (c) recommending a Takeover Proposal; (d) failing to recommend against acceptance of any tender offer or exchange offer for the shares of Parent Common Stock within ten Business Days after the commencement of such offer; (e) failing to reaffirm (publicly, if so requested by the Company) the Parent Board Recommendation within ten Business Days after the date any Takeover Proposal (or material modification thereto) is first publicly disclosed by Parent or the Person making such Takeover Proposal; (f) making any public statement inconsistent with the Parent Board Recommendation; or (g) resolving or agreeing to take any of the foregoing actions.

"Parent Balance Sheet" has the meaning set forth in Section 4.04(c).

"Parent Board" has the meaning set forth in the recitals.

"Parent Board Recommendation" has the meaning set forth in Section 4.03(d)(i).

"Parent Common Stock" means, as applicable (i) the common shares of Parent issued prior to the Parent Domestication, without par value, or (ii) the common stock of Parent issued in connection with the Parent Domestication set forth in Section 5.07, with par value as set forth in the certificate of domestication of Parent following the Parent Domestication.

"Parent Domestication" means the domestication of Parent as a corporation (i) in Delaware in accordance with Section 388 of the Delaware General Corporation Law, as amended or (ii) in such other United States jurisdiction as may be agreed by Parent and the Company in accordance with applicable Laws of such jurisdiction.

"Parent Equity Award" means a Parent Stock Option or a Parent Restricted Share Unit, as the case may be.

"Parent Indemnitees" has the meaning set forth in Section 7.02.

"Parent Key Shareholders" means (i) each director of Parent that will continue to serve as a director of Parent immediately following the Effective Time and (ii) each employee of Parent that will continue to be employed by Parent immediately following the Effective Time.

"Parent Material Adverse Effect" means any event, occurrence, fact, condition, or change that is, or would reasonably be expected to become, individually or in the aggregate, materially adverse to: (a) the business, results of operations, condition (financial or otherwise), or assets of Parent and its Subsidiaries, taken as a whole; or (b) the ability of Parent to consummate the transactions contemplated hereby on a timely basis; provided, however, that a Parent Material Adverse Effect shall not be deemed to include events, occurrences, facts, conditions, or changes arising out of, relating to, or resulting from: (i) changes generally affecting the economy,

financial, or securities markets; (ii) the announcement of the transactions contemplated by this Agreement; (iii) any outbreak or escalation of war (whether or not declared) or any act of terrorism; (iv) general conditions in the industry in which Parent and its Subsidiaries operate; (v) any failure, in and of itself, by Parent to meet any internal or published projections, forecasts, estimates, or predictions in respect of revenues, earnings, or other financial or operating metrics for any period (it being understood that the facts or occurrences giving rise to or contributing to such failure may be deemed to constitute, or be taken into account in determining whether there has been or would reasonably be expected to become, a Parent Material Adverse Effect, to the extent permitted by this definition and not otherwise excepted by a clause of this proviso); or (vi) any change, in and of itself, in the market price or trading volume of Parent's securities or in its credit ratings (it being understood that the facts or occurrences giving rise to or contributing to such change may be deemed to constitute, or be taken into account in determining whether there has been or would reasonably be expected to become, a Parent Material Adverse Effect, to the extent permitted by this definition and not otherwise excepted by a clause of this proviso), provided further, however, that any event, change, and effect referred to in clauses (i), (iii), or (iv) immediately above shall be taken into account in determining whether a Parent Material Adverse Effect has occurred or would reasonably be expected to occur to the extent that such event, change, or effect has a disproportionate effect on Parent and its Subsidiaries, taken as a whole, compared to other participants in the industries in which Parent and its Subsidiaries conduct their businesses.

"Parent Preferred Stock" has the meaning set forth in Section 4.02(a).

"Parent Public Record" means all documents publicly filed under the profile of Parent on SEDAR or filed by Parent on the CSE website.

"Parent Restricted Stock Unit" means any restricted share units granted under any Parent Stock Plan.

"Parent Securities" has the meaning set forth in Section 4.02(b)(ii).

"Parent Stock Issuance" means the issuance of shares of Parent Common Stock in connection with the Merger on the terms and subject to the conditions set forth in this Agreement.

"Parent Stock Option" means any option to purchase Parent Common Stock granted under any Parent Stock Plan.

"Parent Stock Plans" means the following plans, in each case as amended: (a) Stock Option Plan dated June 15, 2018, as amended April 13, 2019 and August 15, 2019, and (b) Restricted Share Unit Plan dated November 13, 2018, as amended April 13, 2019 and August 15, 2019.

"Parent Stockholders Meeting" means the special meeting of the stockholders of Parent to be held to consider the approval of the Merger and the Parent Domestication on the terms and subject to the conditions set forth in this Agreement.

"Parent Subsidiary Securities" has the meaning set forth in Section 4.02(d).

"Parent Termination Fee" means the Company Class A Units held by Parent as of the date hereof representing 0.375% of the total outstanding equity interests of the Company.

"Parent Voting Debt" has the meaning set forth in Section 4.02(c).

"Parent Warrants" means any warrants to purchase shares of Parent Common Stock.

"Permits" means all permits, licenses, franchises, approvals, authorizations, registrations, certificates, variances and similar rights obtained, or required to be obtained, from Governmental Authorities.

"Permitted Encumbrances" has the meaning set forth in Section 3.10(a).

"Person" means an individual, corporation, partnership, joint venture, limited liability company, Governmental Authority, unincorporated organization, trust, association or other entity.

"Post-Closing Tax Period" means any taxable period beginning after the Closing Date and, with respect to any taxable period beginning before and ending after the Closing Date, the portion of such taxable period beginning after the Closing Date.

"Pre-Closing Tax Period" means any taxable period ending on or before the Closing Date and, with respect to any taxable period beginning before and ending after the Closing Date, the portion of such taxable period ending on and including the Closing Date.

"Pre-Closing Taxes" means Taxes of the Company for any Pre-Closing Tax Period.

"Pre-Merger Outstanding Shares" means, without duplication, the total number of shares of Parent Common Stock issued and outstanding, plus the total number of shares of Parent Common Stock subject to Parent Stock Options, plus the total number of shares of Parent Common Stock subject to Parent Restricted Stock Units, in each case as of the Closing Date and immediately prior to the Effective Time.

"Pro Rata Share" means, with respect to any Member, such Person's ownership interest in the Company as of immediately prior to the Effective Time, determined by dividing (a) the number of Company Common Units owned of record by such Person as of immediately prior to the Effective Time by (b) the aggregate number of Company Common Units outstanding immediately prior to the Effective Time (other than Company Common Units owned by the Company or Parent that are to be cancelled and retired in accordance with Section 2.07(a)).

"Proxy Statement" means the proxy statement to be filed with the CSE and the Securities Authorities and delivered or made available to the Parent's stockholders in connection with the Merger and the other transactions contemplated by this Agreement, together with any amendments or supplements thereto.

"Real Property" means the real property owned, leased or subleased by the Company, together with all buildings, structures and facilities located thereon.

"Release" means any actual or threatened release, spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, abandonment, disposing or allowing to escape or migrate into or through the environment (including, without limitation, ambient air (indoor or outdoor), surface water, groundwater, land surface or subsurface strata or within any building, structure, facility or fixture).

"Representative" means, with respect to any Person, any and all directors, officers, employees, consultants, financial advisors, counsel, accountants and other agents of such Person.

"Requisite Company Vote" has the meaning set forth in Section 3.02(a).

"Requisite Parent Vote" has the meaning set forth in Section 4.03(a).

"Reviewed Interim Financial Statements" has the meaning set forth in Section 6.02(h).

"Reviewed Year" has the meaning set forth in Section 2.11(b).

"Revised Company Financial Statements" has the meaning set forth in Section 6.02(h).

"Securities Authorities" means collectively, the British Columbia Securities Commission and the other applicable securities regulatory authorities in each of the provinces and territories of Canada where Parent is a reporting issuer.

"SEDAR" means the System for Electronic Document Analysis and Retrieval. "Specified Assets" has the meaning set forth in Section 5.02(b).

"Specified Members" means [redacted] and [redacted] **[Description - names of individuals redacted]**.

"Statement of Merger" has the meaning set forth in Section 2.03.

"Subsidiary" of a Person means a corporation, partnership, limited liability company, or other business entity of which a majority of the shares of voting securities is at the time beneficially owned, or the management of which is otherwise controlled, directly or indirectly, through one or more intermediaries, or both, by such Person.

"Surviving Company" has the meaning set forth in Section 2.01.

"Takeover Proposal" means an inquiry, proposal, or offer from, or indication of interest in making a proposal or offer by, any Person or group relating to any transaction or series of related transactions (other than the transactions contemplated by this Agreement), involving any: (a) direct or indirect acquisition of assets of Parent or its Subsidiaries (including any voting equity interests of Subsidiaries, but excluding sales of assets in the ordinary course of business) equal to 15% or more of the fair market value of Parent and its Subsidiaries' consolidated assets or to which 15% or more of Parent's and its Subsidiaries' net revenues or net income on a consolidated basis are attributable; (b) direct or indirect acquisition of 15% or more of the voting equity interests of Parent or any of its Subsidiaries whose business constitutes 15% or more of the consolidated net revenues, net income, or assets of Parent and its Subsidiaries, taken as a

whole; (c) tender offer or exchange offer that if consummated would result in any Person beneficially owning 15% or more of the voting power of Parent; (d) merger, consolidation, other business combination, or similar transaction involving Parent or any of its Subsidiaries, pursuant to which such Person would own 15% or more of the consolidated net revenues, net income, or assets of Parent and its Subsidiaries, taken as a whole; (e) liquidation, dissolution (or the adoption of a plan of liquidation or dissolution), or recapitalization or other significant corporate reorganization of Parent or one or more of its Subsidiaries that, individually or in the aggregate, generate or constitute 15% or more of the consolidated net revenues, net income, or assets of Parent and its Subsidiaries, taken as a whole; or (f) any combination of the foregoing, provided, however, that "Takeover Proposal" shall exclude any transactions relating to the assets set forth on Schedule 5.02.

"Tax Return" means any return, declaration, report, claim for refund, information return or statement or other document relating to Taxes, including any schedule or attachment thereto, and including any amendment thereof.

"Taxes" means all federal, state, local, foreign and other taxes (including income, minimum or alternative minimum tax, gross receipts, ad valorem, value added, environmental tax, turnover, sales, use, personal property (tangible and intangible), escheat or abandoned property, stamp, leasing, lease, user, leasing use, excise, payroll, franchise, transfer, fuel, excess profits, occupational, interest equalization and other taxes), levies, imposts, duties, customs duties or withholdings of any nature whatsoever imposed by any Governmental Authority, any liability or obligation to a Governmental Authority as a result of any escheat or similar law, whether or not such Tax shall be existing or hereafter adopted, (b) any and all penalties, fines, additions to tax and interest imposed by any Governmental Authority in connection with an item described in clause (a), and (c) any liability in respect of any items described in clauses (a) or (b) payable by reason of contract, assumption, transferee, transferee or successor liability, operation of law, Treasury regulation 1.1502-6(a) (or any predecessor or successor thereof or any analogous or similar provision under law) or otherwise.

"THC" means tetrahydrocannabinol.

"Third Party Claim" has the meaning set forth in Section 7.04(a).

"Transaction Expenses" means all fees and expenses incurred by the Company and any Affiliate at or prior to the Closing in connection with the preparation, negotiation and execution of this Agreement, and the performance and consummation of the Merger and the other transactions contemplated hereby.

"Union" has the meaning set forth in Section 3.21(b).

"Written Consent" has the meaning set forth in Section 5.05(a).

"Year-End Financial Statements" has the meaning set forth in Section 3.06.

ARTICLE II
THE MERGER

Section 2.01 The Merger. On the terms and subject to the conditions set forth in this Agreement, and in accordance with the Act, at the Effective Time, (a) Merger Sub will merge with and into the Company, (b) the separate legal existence of Merger Sub will cease, and (c) the Company will continue its legal existence under the Act as the surviving limited liability company in the Merger and a wholly-owned Subsidiary of Parent (sometimes referred to herein as the "Surviving Company").

Section 2.02 Closing. Subject to the terms and conditions of this Agreement, the closing of the Merger (the "Closing") shall take place remotely via the exchange of documents and signatures no later than three Business Days after the satisfaction or, to the extent permitted hereunder, waiver of all conditions to the Merger set forth in Article VI (other than those conditions that by their nature are to be satisfied at the Closing, but subject to the satisfaction or, to the extent permitted hereunder, waiver of all such conditions), unless this Agreement has been terminated pursuant to its terms or unless another time or date is agreed to in writing by the parties hereto (the day on which the Closing takes place being the "Closing Date").

Section 2.03 Effective Time. Subject to the provisions of this Agreement, at the Closing, the Company, Parent, and Merger Sub shall cause a statement of merger (the "Statement of Merger") to be executed, acknowledged, and filed with the Colorado Secretary of State in accordance with the relevant provisions of the Act and shall make all other filings or recordings required under the Act. The Merger shall become effective at such time as the Statement of Merger has been duly filed with the Colorado Secretary of State or at such later date or time as may be agreed by the Company and Parent in writing and specified in the Statement of Merger in accordance with the Act (the effective time of the Merger being hereinafter referred to as the "Effective Time").

Section 2.04 Effects of the Merger. The Merger shall have the effects set forth in this Agreement and in the applicable provisions of the Act. Without limiting the generality of the foregoing, and subject thereto, from and after the Effective Time, all property, rights, privileges, immunities, powers, franchises, licenses and authority of the Company and Merger Sub shall vest in the Surviving Company, and all debts, liabilities, obligations, restrictions and duties of each of the Company and Merger Sub shall become the debts, liabilities, obligations, restrictions and duties of the Surviving Company.

Section 2.05 Articles of Organization; Operating Agreement. At the Effective Time, (a) the articles of organization of Merger Sub as in effect immediately prior to the Effective Time shall be amended and restated in a form reasonably acceptable to Parent and the Company, and, as so amended and restated, shall be the articles of organization of the Surviving Company until thereafter amended in accordance with the terms thereof or as provided by applicable Law, and (b) the operating agreement of Merger Sub as in effect immediately prior to the Effective Time shall be amended and restated in a form reasonably acceptable to Parent and the Company, and, as so amended and restated, shall be the operating agreement of the Surviving Company until thereafter amended in accordance with the terms thereof, the articles of organization of the Surviving Company, or as provided by applicable Law.

Section 2.06 Managers and Officers. The board of managers and officers of Merger Sub immediately prior to the Effective Time shall, from and after the Effective Time, be the board of managers and officers of the Surviving Company. The board of managers of the Surviving Company will initially have seven members, five appointed by the Company and two appointed by Parent at and as of the Closing. Such members shall serve until their successors have been duly elected or appointed and qualified or until their earlier death, resignation or removal in accordance with the articles of organization and operating agreement of the Surviving Company.

Section 2.07 Effect of the Merger on Company Common Units and Parent Equity Awards. At the Effective Time, as a result of the Merger and without any action on the part of Parent, Merger Sub, the Company, or any Member:

(a) Cancellation of Certain Company Common Units. Each unit of Company Common Units that is owned by Parent or the Company (as treasury securities or otherwise) or any of their respective direct or indirect wholly-owned Subsidiaries as of immediately prior to the Effective Time (the "Cancelled Units") shall automatically be cancelled and retired and shall cease to exist, and no consideration shall be delivered in exchange therefor.

(b) Conversion of Company Common Units. Each Company Common Unit issued and outstanding immediately prior to the Effective Time (other than Cancelled Units) shall be converted into the right to receive: (i) an amount of shares of Parent Common Stock equal to the Exchange Ratio (the "Merger Consideration") and (ii) any dividends or other distributions to which the holder thereof becomes entitled to upon the surrender of such Company Common Units in accordance with Section 2.08(g).

(c) Cancellation of Units. At the Effective Time, all Company Common Units will no longer be outstanding and will be cancelled and retired and will cease to exist, and each holder of: (i) a certificate formerly representing any Company Common Units (each, a "Certificate"), if any; or (ii) any book-entry units that immediately prior to the Effective Time represented Company Common Units (each, a "Book-Entry Unit") will cease to have any rights with respect thereto, except the right to receive (A) the Merger Consideration in accordance with Section 2.08 hereof and (B) any dividends or other distributions to which the holder thereof becomes entitled to upon the surrender of such Company Common Units in accordance with Section 2.08(g).

(d) Conversion of Merger Sub Membership Units. Each membership interest unit of Merger Sub issued and outstanding immediately prior to the Effective Time shall be converted into and become one newly issued, fully paid, and non-assessable membership interest unit of the Surviving Company with the same rights, powers, and privileges as the units so converted and shall constitute the only outstanding membership interest units of the Surviving Company.

(e) Fractional Shares. No certificates or scrip representing fractional shares of Parent Common Stock shall be issued upon the conversion of Company Common Units pursuant to Section 2.07(b) and such fractional share interests shall not entitle the owner thereof to vote or to any other rights of a holder of shares of Parent Common Stock.

(f) Full Vesting of Parent Equity Awards; Extension of Expiry Date; No Further Amendment without Consent. Each Parent Equity Award issued and outstanding immediately prior to the Effective Time shall: (i) to the extent unvested, immediately vest and become nonforfeitable; (ii) to the extent permitted by Section 409A of the Code and other applicable law: (A) the exercise period and expiry date for each Parent Company Stock Option shall be extended such that the longest possible exercise period and latest possible expiry date set forth in the Parent Company Stock Option certificate apply to the holder thereof irrespective of any provision in any Parent Equity Plan or any Parent Equity Award certificate calling for an earlier termination date (e.g., as a result of a termination of employment); and (B) the settlement period and expiry date for each Parent Restricted Share Unit shall be extended such that the longest possible settlement period and latest possible expiry date set forth in the Parent Restricted Share Unit certificate apply to the holder thereof irrespective of any provision in any Parent Equity Plan or any Parent Equity Award certificate calling for an earlier termination date and (iii) after the Effective Time, no amendment or modification to, or termination of, any such Parent Equity Award, Parent Stock Plan, Parent Company Stock Option certificate, or Parent Share Unit certificate shall affect the rights of any holder of any Parent Equity Award without such holder's express written consent. The parties acknowledge and agree that each Parent Equity Award recipient as of immediately prior to the Effective Time shall be an express third party beneficiary of this Section 2.07(f), and that no amendment to this Agreement that is adverse to the rights and interests granted in this Section 2.07(f) shall be binding on such Parent Equity Award recipients without their written consent.

Section 2.08 Exchange Procedures.

(a) Exchange Agent; Exchange Fund. Prior to the Effective Time, Parent shall appoint an exchange agent (the "Exchange Agent") to act as the agent for the purpose of paying the Merger Consideration for the Certificates and the Book-Entry Units. At or promptly following the Effective Time, Parent shall deposit, or cause the Surviving Company to deposit, with the Exchange Agent: certificates representing the shares of Parent Common Stock to be issued as Merger Consideration (or make appropriate alternative arrangements if uncertificated shares of Parent Common Stock represented by book-entry shares will be issued). In addition, Parent shall deposit or cause to be deposited with the Exchange Agent, as necessary from time to time after the Effective Time, any dividends or other distributions, if any, to which the holders of Company Common Units may be entitled pursuant to Section 2.08(g) for distributions or dividends on the Parent Common Stock to which they are entitled to pursuant to Section 2.07(b), with both a record and payment date after the Effective Time and prior to the surrender of the Company Common Units in exchange for such Parent Common Stock. Such cash and shares of Parent Common Stock, together with any dividends or other distributions deposited with the Exchange Agent pursuant to this Section 2.08(a), are referred to collectively in this Agreement as the "Exchange Fund."

(b) Procedures for Surrender; No Interest.

(i) Promptly after the Effective Time, Parent shall send, or shall cause the Exchange Agent to send, to each record holder of Company Common Units at the Effective Time (as shown in the Consideration Spreadsheet), whose Company Common Units were converted pursuant to Section 2.07(b) into the right to receive the Merger Consideration, a letter

of transmittal and instructions (which shall specify that the delivery shall be effected, and risk of loss and title shall pass, only upon proper delivery of the Certificates or transfer of the Book-Entry Units to the Exchange Agent, and which letter of transmittal will be in customary form and have such other provisions as Parent and the Surviving Company may reasonably specify) for use in such exchange. Each holder of Company Common Units that have been converted into the right to receive the Merger Consideration shall be entitled to receive, subject to Section 2.08(b)(ii), such holder's Pro Rata Share of the Merger Consideration (into which such holder's Company Common Units have been converted pursuant to Section 2.07(b)) rounded down to the nearest whole share, and any dividends or other distributions pursuant to Section 2.08(g) upon surrender to the Exchange Agent of a Certificate or, in the case of Book-Entry Units, receipt of an "agent's message" by the Exchange Agent (or such other evidence, if any, of transfer as the Exchange Agent may reasonably request); in each case, together with a duly completed and validly executed letter of transmittal and such other documents as may reasonably be requested by the Exchange Agent. No interest shall be paid or accrued upon the surrender or transfer of any Certificate or Book-Entry Unit. Upon payment of the Merger Consideration pursuant to the provisions of this Article II, each Certificate or Book-Entry Unit so surrendered or transferred, as the case may be, shall immediately be cancelled.

(ii) Notwithstanding Section 2.08(b)(i), each Member shall, upon surrender to the Exchange Agent of a Certificate or, in the case of Book-Entry Units, receipt of an "agent's message" by the Exchange Agent (or such other evidence, if any, of transfer as the Exchange Agent may reasonably request), in each case, together with a duly completed and validly executed letter of transmittal and such other documents as may reasonably be requested by the Exchange Agent, receive such Member's share of the Merger Consideration as follows:

(A) In accordance with the Escrow Agreement, 2% of the total number of shares of Parent Common Stock to be issued to such Member as Merger Consideration (rounded down to the nearest whole share) will be issued into escrow with the Escrow Agent, to be held and released pursuant to the terms of the Escrow Agreement, subject to any such shares being retained and cancelled by Parent as set-off and credit by Parent in satisfaction of amounts due by the Members under Article VII. The shares of Parent Common Stock referred to in this Section 2.08(b)(ii)(A), for as long as they remain in the escrow described above, are referred to as the "Escrowed Shares"). Parent and Member Representative shall instruct the Escrow Agent to (i) release the Escrowed Shares then on deposit with the Escrow Agent to the Members on the eighteen (18) month anniversary of the Closing Date except to the extent that a claim is then pending, in which case the applicable Escrowed Shares shall remain in escrow until such claim is fully and finally resolved in accordance with this Agreement, at which time Parent and Member Representative shall instruct the Escrow Agent to release such Escrowed Shares to the Members; and

(B) The remaining shares of Parent Common Stock to be issued to such Member as Merger Consideration (other than the Escrowed Shares) will be issued to such Member in accordance with Section 2.08(b)(i).

(c) Investment of Exchange Fund. Until disbursed in accordance with the terms and conditions of this Agreement, the cash in the Exchange Fund may be invested by the

Exchange Agent, as directed by Parent or the Surviving Company. No losses with respect to any investments of the Exchange Fund will affect the amounts payable to the holders of Certificates or Book-Entry Units. Any income from investment of the Exchange Fund will be payable to Parent or the Surviving Company, as Parent directs.

(d) Payments to Non-Registered Holders. If any portion of the Merger Consideration is to be paid to a Person other than the Person in whose name the surrendered Certificate or the transferred Book-Entry Unit, as applicable, is registered, it shall be a condition to such payment that: (i) such Certificate shall be properly endorsed or shall otherwise be in proper form for transfer or such Book-Entry Unit shall be properly transferred; and (ii) the Person requesting such payment shall pay to the Exchange Agent any transfer or other Tax required as a result of such payment to a Person other than the registered holder of such Certificate or Book-Entry Unit, as applicable, or establish to the reasonable satisfaction of the Exchange Agent that such Tax has been paid or is not payable.

(e) Full Satisfaction. All Merger Consideration paid upon the surrender of Certificates or transfer of Book-Entry Units in accordance with the terms hereof shall be deemed to have been paid in full satisfaction of all rights pertaining to the Company Common Units formerly represented by such Certificate or Book-Entry Units, and from and after the Effective Time, there shall be no further registration of transfers of Company Common Units on the unit transfer books of the Surviving Company. If, after the Effective Time, Certificates or Book-Entry Units are presented to the Surviving Company, they shall be cancelled and exchanged as provided in this Article II.

(f) Termination of Exchange Fund. Any portion of the Exchange Fund that remains unclaimed by the holders of Company Common Units six months after the Effective Time shall be returned to Parent, upon demand, and any such holder who has not exchanged Company Common Units for the Merger Consideration in accordance with this Section 2.08 prior to that time shall thereafter look only to Parent (subject to abandoned property, escheat, or other similar Laws), as general creditors thereof, for payment of the Merger Consideration without any interest. Notwithstanding the foregoing, Parent shall not be liable to any holder of Company Common Units for any amounts paid to a public official pursuant to applicable abandoned property, escheat, or similar Laws. Any Merger Consideration that remains unclaimed by holders of Company Common Units two years after the Effective Time (or such earlier date, immediately prior to such time when such Merger Consideration would otherwise escheat to or become property of any Governmental Authority) shall become, to the extent permitted by applicable Law, the property of Parent (as treasury securities) free and clear of any claims or interest of any Person previously entitled thereto.

(g) Distributions with Respect to Unsurrendered Company Common Units. All shares of Parent Common Stock to be issued pursuant to the Merger shall be deemed issued and outstanding as of the Effective Time and whenever a dividend or other distribution is declared by Parent in respect of the Parent Common Stock, the record date for which is after the Effective Time, that declaration shall include dividends or other distributions in respect of all shares issuable pursuant to this Agreement. No dividends or other distributions in respect of the Parent Common Stock shall be paid to any holder of any unsurrendered Company Common Units until the Certificate (or affidavit of loss in lieu of the Certificate as provided in

Section 2.10) or Book-Entry Unit is surrendered for exchange in accordance with this Section 2.08. Subject to the effect of applicable Laws, following such surrender, there shall be issued or paid to the holder of record of the whole shares of Parent Common Stock issued in exchange for Company Common Units in accordance with this Section 2.08, without interest: (i) at the time of such surrender, the dividends or other distributions with a record date after the Effective Time theretofore payable with respect to such whole shares of Parent Common Stock and not paid; and (ii) at the appropriate payment date, the dividends or other distributions payable with respect to such whole shares of Parent Common Stock with a record date after the Effective Time but with a payment date subsequent to surrender.

Section 2.09 Withholding Rights. Each of the Exchange Agent, Parent, Merger Sub, and the Surviving Company shall be entitled to deduct and withhold from the consideration otherwise payable to any Person pursuant to this Article II all Taxes or other amounts from payments to be made under any provision of this Agreement or its exhibits and schedules, if such withholding is required by Law, and to collect Forms W-4, W-8 or W-9 or such other forms or documentation from the Members to the extent reasonably necessary to comply with any applicable Law, including without limitation withholding and documentation required by Section 1446(f) of the Code. The Company will provide certifications in form and substance reasonably acceptable to Parent pursuant to (i) Proposed Treasury Regulations Section 1.1446(f)-2(c)(2)(ii), with such certification intended to apply with respect to the determination of the amount of Section 1446(f) withholding required with respect to the Members, and (ii) Treasury Regulations Sections 1.897-2(h) and 1.1445-2(c)(3) dated no more than 30 days prior to the Closing Date and signed by an officer of the Company, certifying that interests in the Company, including interests in the Company Common Units, do not constitute "United States real property interests" under Section 897(c) of the Code and the Company shall have provided notice to the IRS in accordance with the provisions of Treasury Regulations Section 1.897-2(h)(2). Amounts so withheld will be treated as respectively paid to the Members, and Exchange Agent, Parent, Merger Sub, and the Surviving Company will remit or cause to be remitted to the applicable Governmental Authority the amounts withheld as required by applicable Law. To the extent that amounts are so deducted and withheld by the Exchange Agent, Parent, Merger Sub, or the Surviving Company, as the case may be, such amounts shall be treated for all purposes of this Agreement as having been paid to the Person in respect of which the Exchange Agent, Parent, Merger Sub, or the Surviving Company, as the case may be, made such deduction and withholding.

Section 2.10 Lost Certificates. If any Certificate shall have been lost, stolen, or destroyed, upon the making of an affidavit of that fact by the Person claiming such Certificate to be lost, stolen, or destroyed and, if required by Parent, the posting by such Person of a bond, in such reasonable amount as Parent may direct, as indemnity against any claim that may be made against it with respect to such Certificate, the Exchange Agent will issue, in exchange for such lost, stolen, or destroyed Certificate, the Merger Consideration to be paid in respect of the Company Common Units formerly represented by such Certificate as contemplated under this Article II.

Section 2.11 Tax Matters.

(a) For U.S. federal income Tax purposes, it is intended that the Merger qualify as a contribution by the Members of their Company Common Units to Parent in a

transaction intended to qualify under Section 351(a) of the Code; provided, however, that the Company and each Member has relied solely on the advice of its own independent Tax advisors in connection with such determination and is not relying on Parent or any of its advisors with respect to such determination. Each of the Parent and the Company shall file all Tax Returns and information reports in a manner consistent with the Tax treatment of the Merger as set forth in this Section 2.11 and neither the Parent nor the Company shall take any position in any proceedings or actions that is inconsistent with such Tax treatment.

(b) If, with respect to any taxable year (a "Reviewed Year") of the Company that involves any Pre-Closing Tax Period a taxing authority makes an adjustment to an item of income, gain, loss, deduction, or credit of the Company (or any Member's distributive share thereof) that would result in an "imputed underpayment" within the meaning of Section 6225 of the Code (an "Imputed Underpayment"), the Company, acting through its "partnership representative" as such term is defined under Section 6223(s) of the Code, shall timely and properly make the election to "push out" any adjustments to the Members, such that the Company shall not be liable for any Imputed Underpayment resulting from such adjustments, it being agreed and understood by all of the parties hereto that no Imputed Underpayment shall be borne by the Company or pushed out to Parent.

Section 2.12 Consideration Spreadsheet. At least three Business Days before the Closing, the Company shall prepare and deliver to Parent a spreadsheet (the "Consideration Spreadsheet"), certified by the Chief Executive Officer of the Company, which shall set forth, as of the Closing Date and immediately prior to the Effective Time, the names and addresses of all Members and the number of Company Common Units held by such Persons. The parties agree that Parent and Merger Sub shall be entitled to rely on the Consideration Spreadsheet for all purposes under this Article II and Parent and Merger Sub shall not be responsible for the accuracy or completeness of the information in such Consideration Spreadsheet.

ARTICLE III
REPRESENTATIONS AND WARRANTIES OF THE COMPANY

Except as set forth in the correspondingly numbered Section of the Company Disclosure Letter that relates to such Section (or in another Section of the Company Disclosure Letter to the extent that it is reasonably apparent on the face of such disclosure that such disclosure is applicable to such Section), the Company represents and warrants to Parent and Merger Sub that the statements contained in this Article III are true and correct as of the date hereof.

Section 3.01 Organization and Qualification. The Company and each of its Subsidiaries is a limited liability company, corporation, or other legal entity duly organized, validly existing, and in good standing (to the extent that the concept of "good standing" is applicable in the case of any jurisdiction outside the United States) under the Laws of its jurisdiction of organization, and has the requisite limited liability company, corporate, or other organizational, as applicable, power and authority to own, lease, and operate its assets and to carry on its business as now conducted. Each of the Company and its Subsidiaries is duly qualified or licensed to do business as a foreign corporation, limited liability company, or other legal entity and is in good standing (to the extent that the concept of "good standing" is applicable in the case of any jurisdiction outside the United States) in each jurisdiction where the

character of the assets and properties owned, leased, or operated by it or the nature of its business makes such qualification or license necessary, except where the failure to be so qualified or licensed or to be in good standing, would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. The Company has delivered or made available to Parent true, correct, and complete copies of the Charter Documents of the Company (including the Company Operating Agreement) and each of the Company's Subsidiaries. Neither the Company nor any of its Subsidiaries is in violation of any of the provisions of its Charter Documents.

Section 3.02 Authority; Board Approval.

(a) The Company has full limited liability company power and authority to enter into and perform its obligations under this Agreement and, subject to, in the case of the consummation of the Merger, adoption of this Agreement by the affirmative vote or consent of Members holding a majority of Class A Units ("Requisite Company Vote"), to consummate the transactions contemplated hereby. The execution, delivery and performance by the Company of this Agreement and the consummation by the Company of the transactions contemplated hereby have been duly authorized by all requisite limited liability company action on the part of the Company and no other limited liability company proceedings on the part of the Company are necessary to authorize the execution, delivery and performance of this Agreement or to consummate the Merger and the other transactions contemplated hereby, subject only, in the case of consummation of the Merger, to the receipt of the Requisite Company Vote. The Requisite Company Vote is the only vote or consent of the holders of any class or series of the Company's membership interests required to approve and adopt this Agreement, approve the Merger and consummate the Merger and the other transactions contemplated hereby. This Agreement has been duly executed and delivered by the Company, and (assuming due authorization, execution and delivery by each other party hereto) this Agreement constitutes a legal, valid and binding obligation of the Company enforceable against the Company in accordance with its terms, subject to the effect of any applicable Laws relating to bankruptcy, reorganization, insolvency, moratorium, fraudulent conveyance or preferential transfers, or similar Laws relating to or affecting creditors' rights generally and subject, as to enforceability, to the effect of general principles of equity (the "Enforceability Exceptions").

(b) The Company Board, by resolutions duly adopted by unanimous consent of all managers of the Company and, as of the date hereof, not subsequently rescinded or modified in any way, has, as of the date hereof (i) determined that this Agreement and the transactions contemplated hereby, including the Merger, are fair to, and in the best interests of, the Members, (ii) approved and declared advisable the "plan of merger" (as such term is used in Section 7-90-203.3. of the Act) contained in this Agreement and the transactions contemplated by this Agreement, including the Merger, in accordance with the Act, (iii) directed that the "plan of merger" contained in this Agreement be submitted to the Members for adoption, and (iv) resolved to recommend that the Members adopt the "plan of merger" set forth in this Agreement (collectively, the "Company Board Recommendation") and directed that such matter be submitted for consideration of the Members.

Section 3.03 No Conflicts; Consents.

(a) The execution, delivery and performance by the Company of this Agreement, and the consummation of the transactions contemplated hereby, including the Merger, do not and will not: (i) conflict with or result in a violation or breach of, or default under, any provision of the Charter Documents of any Company Group Member; (ii) subject to, in the case of the Merger, obtaining the Requisite Company Vote, conflict with or result in a violation or breach of any provision of any Law or Governmental Order applicable to the Company Group; (iii) except as set forth in Section 3.03(a) of the Company Disclosure Letter, require the consent, notice or other action by any Person under, conflict with, result in a violation or breach of, constitute a default or an event that, with or without notice or lapse of time or both, would constitute a default under, result in the acceleration of or create in any party the right to accelerate, terminate, modify or cancel any Contract to which any Company Group Member is a party or by which any Company Group Member is bound or to which any of their respective properties and assets are subject (including any Material Contract) or any Permit affecting the properties, assets or business of the Company Group; or (iv) result in the creation or imposition of any Encumbrance other than Permitted Encumbrances on any properties or assets of the Company Group except, in the case of each of clauses (ii), (iii), and (iv) of this Section 3.03(a), for any conflicts, violations, breaches, defaults, loss of benefits, additional payments or other liabilities, alterations, terminations, amendments, accelerations, cancellations, or Encumbrances that, or where the failure to obtain any consents, in each case, would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(b) No consent, approval, Permit, Governmental Order, declaration or filing with, or notice to (any of the foregoing being a "Consent"), any Governmental Authority is required by or with respect to the Company in connection with the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby and thereby, except for (i) the filing of the Statement of Merger with the Colorado Secretary of State, (ii) such Consents as may be required under the HSR Act, (iii) the other Consents of Governmental Authorities listed in Section 3.03(a) of the Company Disclosure Letter (the "Other Governmental Approvals"), and (iv) such other Consents that, if not obtained or made, would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

Section 3.04 Capitalization.

(a) As of the date of this Agreement, there are no (and as of immediately prior to the Effective Time, there will not be any) membership interests, voting securities, or other ownership interests of the Company authorized, issued, or outstanding other than the Company Common Units. 101.8750 Company Common Units are issued and outstanding as of the date of this Agreement, of which 100 are Company Class A Units and 1.8750 are Company Class B Units. The Consideration Spreadsheet will show the total number of issued and outstanding Company Common Units as of immediately prior to the Effective Time.

(b) Section 3.04(b) of the Company Disclosure Letter sets forth, as of the date hereof, the name of each Person that is the registered owner of any Company Common Units and the number of Company Common Units, by class, owned by such Person.

(c) Except as disclosed on Section 3.04(c) of the Company Disclosure Letter, (i) no subscription, warrant, option, convertible or exchangeable security, or other right (contingent or otherwise) to purchase or otherwise acquire equity securities of the Company is authorized or outstanding, and (ii) there is no commitment by the Company to issue units, subscriptions, warrants, options, convertible or exchangeable securities, or other such rights or to distribute to holders of any of its equity securities any evidence of indebtedness or asset, to repurchase or redeem any securities of the Company or to grant, extend, accelerate the vesting of, change the price of, or otherwise amend any warrant, option, convertible or exchangeable security or other such right. There are no declared or accrued unpaid dividends with respect to any Company Common Units.

(d) All issued and outstanding Company Common Units are (i) duly authorized and validly issued and (ii) free of any Encumbrances created by the Company in respect thereof (except for Encumbrances imposed by the Charter Documents of the Company). All issued and outstanding Company Common Units were issued in compliance with (i) applicable Law, (ii) any preemptive rights or other rights to subscribe for or purchase securities of the Company, and (iii) all applicable Contracts. No Subsidiary of the Company owns any Company Common Units. All distributions, repurchases and redemptions of the Company Common Units (or other equity interests) of the Company were undertaken in compliance with the Charter Documents of the Company then in effect (and any agreement to which the Company then was a party) and in compliance with applicable Law.

(e) Other than to the extent provided in the Charter Documents of the Company, no outstanding Company Common Units are subject to vesting or forfeiture rights or repurchase by the Company. There are no outstanding or authorized dividend equivalent, phantom equity, profit participation or other similar rights to respect to the Company or any of its securities.

Section 3.05 Subsidiaries. Section 3.05(a) of the Company Disclosure Letter lists each of the Subsidiaries of the Company as of the date hereof and its place of organization. Section 3.05(b) of the Company Disclosure Letter sets forth, for each Subsidiary that is not, directly or indirectly, wholly-owned by the Company: (i) the number and type of any capital stock of, or other equity or voting interests in, such Subsidiary that is outstanding as of the date hereof; and (ii) the number and type of shares of capital stock of, or other equity or voting interests in, such Subsidiary that, as of the date hereof, are owned, directly or indirectly, by the Company. All of the outstanding shares of capital stock of, or other equity or voting interests in, each Subsidiary of the Company that is owned directly or indirectly by the Company have been validly issued, were issued free of preemptive rights, are fully paid and non-assessable, and are free and clear of all Encumbrances, including any restriction on the right to vote, sell, or otherwise dispose of such capital stock or other equity or voting interests, except for any Encumbrances: (A) imposed by applicable securities Laws; or (B) arising pursuant to the Charter Documents of any non-wholly-owned Subsidiary of the Company. Except for the capital stock of, or other equity or voting interests in, its Subsidiaries, the Company does not own, directly or indirectly, any capital stock of, or other equity or voting interests in, any Person.

Section 3.06 Financial Statements. Complete copies of the Company Group's unaudited financial statements consisting of the balance sheet of the Company Group as at

December 31 in each of the years 2016, 2017, and 2018 and the related statements of income and retained earnings, owners' equity and cash flow for the years then ended (the "Year End Financial Statements"), and unaudited financial statements consisting of the balance sheet of the Company Group as at September 30, 2019, and the related statements of income and retained earnings, owners' equity and cash flow for the nine-month period then ended (the "Interim Financial Statements" and, together with the Year-End Financial Statements, the "Financial Statements") have been delivered to Parent. The Financial Statements have been prepared in accordance with GAAP applied on a consistent basis throughout the period involved, subject, in the case of the Interim Financial Statements, to normal and recurring year-end adjustments (the effect of which will not be materially adverse) and the absence of notes (that, if presented, would not differ materially from those presented in the Year-End Financial Statements). The Financial Statements are based on the books and records of the Company Group, and fairly present, in all material respects, the financial condition of the Company Group as of the respective dates they were prepared and the results of the operations of the Company Group for the periods indicated. The balance sheet of the Company Group as of December 31, 2018, is referred to herein as the "Balance Sheet" and the date thereof as the "Balance Sheet Date" and the balance sheet of the Company Group as of September 30, 2019, is referred to herein as the "Interim Balance Sheet" and the date thereof as the "Interim Balance Sheet Date."

Section 3.07 Undisclosed Liabilities. The Company Group has no liabilities, obligations or commitments of any nature whatsoever, asserted or unasserted, known or unknown, absolute or contingent, accrued or unaccrued, matured or unmatured or otherwise ("Liabilities"), except (a) those that are reflected or reserved against in the Balance Sheet as of the Balance Sheet Date, (b) those that have been incurred in the ordinary course of business consistent with past practice since the Balance Sheet Date and are not, individually or in the aggregate, material in amount, (c) contractual and other liabilities incurred in the ordinary course of business consistent with past practice that are not required by GAAP to be reflected on a balance sheet and that are not in the aggregate material, (d) obligations under Contracts which are not yet fully performed, (e) obligations imposed by applicable Law on Persons engaged in the same lines of business as the Company Group, and (f) as set forth on Section 3.07 of the Company Disclosure Letter.

Section 3.08 Absence of Certain Changes, Events and Conditions. Except as disclosed on Section 3.08 of the Company Disclosure Letter, and other than in the ordinary course of business consistent with past practice, since the Balance Sheet Date, there has not been, with respect to the Company Group, any:

(a) event, occurrence or development that has had, or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect;

(b) amendment of the Charter Documents of any Company Group Member;

(c) split, combination or reclassification of any of its equity securities;

(d) issuance, sale or other disposition of any of its equity securities, or grant of any options, warrants or other rights to purchase or obtain (including upon conversion, exchange or exercise) any of its equity securities;

(e) declaration or payment of any dividends or distributions on or in respect of any of its equity securities or redemption, purchase or acquisition of its equity securities;

(f) material change in any method of accounting or accounting practice of the Company Group, except as required by GAAP or as disclosed in the notes to the Financial Statements;

(g) incurrence, assumption or guarantee of any indebtedness for borrowed money except unsecured current obligations and Liabilities incurred in the ordinary course of business consistent with past practice;

(h) transfer, assignment, sale or other disposition of any of the assets shown or reflected in the Balance Sheet or cancellation of any debts or entitlements;

(i) transfer, assignment or grant of any license or sublicense of any material rights under or with respect to any Company Intellectual Property or Company IP Agreements;

(j) material damage, destruction or loss (whether or not covered by insurance) to its property;

(k) any capital investment in, or any loan to, any other Person;

(l) acceleration, termination, material modification to or cancellation of any material Contract (including, but not limited to, any Material Contract) to which any Company Group Member is a party or by which it is bound;

(m) any material capital expenditures;

(n) imposition of any Encumbrance upon any of the Company Group properties, equity securities, or assets, tangible or intangible (other than the Permitted Encumbrances);

(o) (i) grant of any bonuses, whether monetary or otherwise, or increase in any wages, salary, severance, pension or other compensation or benefits in respect of its current or former employees, officers, directors, independent contractors or consultants, other than as provided for in any written agreements or required by applicable Law, (ii) change in the terms of employment for any employee or any termination of any employees for which the aggregate costs and expenses exceed $100,000, or (iii) action to accelerate the vesting or payment of any compensation or benefit for any current or former employee, officer, director, independent contractor or consultant;

(p) adoption, modification or termination of any: (i) Company Benefit Plan or (ii) collective bargaining or other agreement with a Union;

(q) any loan to (or forgiveness of any loan to), or entry into any other transaction with, any of its equityholders or current or former directors, officers and employees;

(r) entry into a new line of business or abandonment or discontinuance of existing lines of business;

(s) except for the Merger, adoption of any plan of merger, consolidation, reorganization, liquidation or dissolution or filing of a petition in bankruptcy under any provisions of federal or state bankruptcy Law or consent to the filing of any bankruptcy petition against it under any similar Law;

(t) acquisition by merger or consolidation with, or by purchase of a substantial portion of the assets or stock of, or by any other manner, any business or any Person or any division thereof;

(u) action by the Company Group to make, change or rescind any Tax election, amend any Tax Return or take any position on any Tax Return, take any action, omit to take any action or enter into any other transaction that would have the effect of increasing the Tax Liability or reducing any Tax asset of Parent in respect of any Post-Closing Tax Period; or

(v) any Contract to do any of the foregoing, or any action or omission that would result in any of the foregoing.

Section 3.09 Material Contracts.

(a) The Company has delivered to Parent true, correct and complete copies of each of the following Contracts of the Company Group or by which any Company Group Member is bound (such Contracts, together with all Contracts concerning the occupancy, management or operation of any Real Property (including without limitation, brokerage contracts) listed or otherwise disclosed in Section 3.10(b) of the Company Disclosure Letter and all Company IP Agreements set forth in Section 3.12(b) of the Company Disclosure Letter, being "Material Contracts"):

(i) each Contract of the Company Group (or any Company Group Member) involving aggregate consideration in excess of $600,000 and that, in each case, cannot be cancelled by the Company Group without penalty or without more than 90 days' notice;

(ii) all Contracts that require the Company Group (or any Company Group Member) to purchase its total requirements of any product or service from a third party or that contain "take or pay" provisions;

(iii) all Contracts that provide for the indemnification by the Company Group (or any Company Group Member) of any Person or the assumption of any Tax, environmental or other Liability of any Person;

(iv) all Contracts that relate to the acquisition or disposition of any business, a material amount of stock or assets of any other Person or any real property (whether by merger, sale of stock, sale of assets or otherwise);

(v) all broker, distributor, dealer, manufacturer's representative, franchise, agency, sales promotion, market research, marketing consulting and advertising Contracts to which the Company Group (or any Company Group Member) is a party;

(vi) all employment agreements and Contracts with independent contractors or consultants (or similar arrangements) to which the Company Group (or any Company Group Member) is a party and that are not cancellable without material penalty or without more than 90 days' notice;

(vii) except for Contracts relating to trade receivables, all Contracts relating to indebtedness (including, without limitation, guarantees) of the Company Group (or any Company Group Member);

(viii) all Contracts with any Governmental Authority to which the Company Group (or any Company Group Member) is a party;

(ix) all Contracts that limit or purport to limit the ability of the Company Group (or any Company Group Member) to compete in any line of business or with any Person or in any geographic area or during any period of time;

(x) any Contracts to which the Company Group (or any Company Group Member) is a party that provide for any joint venture, partnership or similar arrangement by the Company Group;

(xi) all collective bargaining agreements or Contracts with any Union to which the Company Group (or any Company Group Member) is a party; and

(xii) any other Contract that is material to the Company Group (or any Company Group Member) and not otherwise disclosed pursuant to this Section 3.09.

(b) Each Material Contract is valid and binding on the Company Group or the applicable Company Group Member in accordance with its terms and is in full force and effect. Neither the applicable Company Group Member nor, to the Company's Knowledge, any other party thereto is in breach of or default under (or is alleged to be in breach of or default under) in any material respect, or has provided or received any notice of any intention to terminate, any Material Contract. No event or circumstance has occurred that, with notice or lapse of time or both, would constitute an event of default under any Material Contract or result in a termination thereof or would cause or permit the acceleration or other changes of any right or obligation or the loss of any benefit thereunder.

Section 3.10 Title to Assets; Real Property.

(a) The Company Group has good and valid (and, in the case of owned Real Property, good and marketable fee simple) title to, or a valid leasehold interest in, all Real Property and personal property and other assets reflected in the Year-End Financial Statements or acquired after the Balance Sheet Date, other than properties and assets sold or otherwise disposed of in the ordinary course of business consistent with past practice since the Balance

Sheet Date. All such properties and assets (including leasehold interests) are free and clear of Encumbrances except for the following (collectively referred to as "Permitted Encumbrances"):

(i) liens for Taxes not yet due and payable or being contested in good faith and by appropriate proceedings;

(ii) mechanics, carriers', workmen's, repairmen's or other like liens arising or incurred in the ordinary course of business consistent with past practice or amounts that are not delinquent;

(iii) easements, rights of way, entitlement, variances, building and other land use and zoning ordinances and other similar encumbrances affecting Real Property;

(iv) other than with respect to owned Real Property, liens arising under original purchase price conditional sales contracts and equipment leases with third parties entered into in the ordinary course of business consistent with past practice;

(v) liens in favor of the lessors under the Real Property leases that secure payments not yet due and payable;

(vi) liens in respect of pledges or deposits under workers' compensation applicable Law or similar legislation, unemployment insurance or other types of social security or to secure government Contracts and similar obligations for which adequate reserves are maintained on the financial statements of the Company and its Subsidiaries in accordance with GAAP; or

(vii) liens with respect to any asset leased or licensed by the Company or any of its Subsidiaries as lessee or licensee to which the fee or ownership interest (or any superior leasehold interest or license) therein is subject.

(b) The Company has delivered to Parent true and complete documentation identifying (i) the street address of each parcel of Real Property; (ii) if such property is leased or subleased by the Company Group, the landlord under the lease, the rental amount currently being paid, and the expiration of the term of such lease or sublease for each leased or subleased property; and (iii) the current use of such property. With respect to owned Real Property, the Company has delivered or made available to Parent true, complete and correct copies of the deeds and other instruments (as recorded) by which the Company Group acquired such Real Property, and copies of all title insurance policies, opinions, abstracts and surveys in the possession of the Company Group and relating to the Real Property. With respect to leased Real Property, the Company has delivered or made available to Parent true, complete and correct copies of any leases affecting the Real Property. No Company Group Member is a sublessor or grantor under any sublease or other instrument granting to any other Person any right to the possession, lease, occupancy or enjoyment of any leased Real Property. The use and operation of the Real Property in the conduct of the Company Group's business do not violate in any material respect any Law, covenant, condition, restriction, easement, license, permit or agreement. No material improvements constituting a part of the Real Property encroach on real property owned or leased by a Person other than the Company Group. There are no Actions pending or, to the Company's Knowledge, threatened against or affecting the Real Property or

any portion thereof or interest therein in the nature or in lieu of condemnation or eminent domain proceedings.

Section 3.11 Condition and Sufficiency of Assets. The buildings, plants, structures, furniture, fixtures, machinery, equipment, vehicles and other items of tangible personal property of the Company Group are adequate for the uses to which they are being put. The buildings, plants, structures, furniture, fixtures, machinery, equipment, vehicles and other items of tangible personal property currently owned or leased by the Company Group, together with all other properties and assets of the Company Group, are sufficient for the continued conduct of the Company Group's business after the Closing in substantially the same manner as conducted prior to the Closing and constitute all of the rights, property and assets necessary to conduct the business of the Company Group as currently conducted.

Section 3.12 Intellectual Property.

(a) The Company has delivered to Parent true, correct and complete copies of (or documentation identifying) all (i) Company IP Registrations and (ii) Company Intellectual Property, including common law trademarks, service marks, and any software, that are not registered but that are material to the Company's business or operations. All required filings and fees related to the Company IP Registrations have been timely filed with and paid to the relevant Governmental Authorities and authorized registrars, and all Company IP Registrations are otherwise in good standing. The Company has provided Parent with true and complete copies of file histories, declarations, assignments, documents, certificates, office actions, correspondence and other materials related to all Company IP Registrations. Section 3.12(a) of the Company Disclosure Letter lists any deadlines for responses or other prosecution actions required for any Company IP Registrations due within six (6) months after Closing.

(b) The Company has delivered to Parent true, correct, and complete copies of all Company IP Agreements. The Company has provided Parent with true and complete copies of all such Company IP Agreements, including all modifications, amendments and supplements thereto and waivers thereunder. Each Company IP Agreement is valid and binding on the applicable Company Group Member in accordance with its terms and is in full force and effect. Neither the applicable Company Group Member nor any other party thereto is in breach of or default under (or is alleged to be in breach of or default under), or has provided or received any notice of breach or default of or any intention to terminate, any Company IP Agreement.

(c) Except as set forth in Section 3.12(c) of the Company Disclosure Letter, the Company Group is the sole and exclusive legal and beneficial, and with respect to the Company IP Registrations, record, owner of all right, title and interest in and to the Company Intellectual Property, and has the valid right to use all other Intellectual Property licensed to the Company Group under any Company IP Agreements, or otherwise used in or necessary for the conduct of the Company Group's current business or operations, in each case, free and clear of Encumbrances other than Permitted Encumbrances. Without limiting the generality of the foregoing, the Company Group has entered into binding, written agreements with every current and former employee, and with every current and former independent contractor or contracting entity, whereby such employees, independent contractors and contracting entities (i) assign to the Company Group any ownership interest and right they may have in the Company Intellectual

Property; and (ii) acknowledge the Company Group's exclusive ownership of all Company Intellectual Property. The Company has provided Parent with true and complete copies of all such agreements.

(d) The consummation of the transactions contemplated hereunder will not result in the loss or impairment of or payment of any additional amounts with respect to, nor require the consent of any other Person in respect of, the Company Group's right to own, use or hold for use any Intellectual Property as owned, used or held for use in the conduct of the Company Group's business or operations as currently conducted.

(e) The Company Group's rights in the Company Intellectual Property are valid, subsisting and enforceable. The Company Group has taken all reasonable steps to maintain the Company Intellectual Property and to protect and preserve the confidentiality of all trade secrets and other confidential information included in the Company Intellectual Property, including requiring all Persons having access thereto to execute written non-disclosure agreements.

(f) The conduct of the Company Group's business as currently and formerly conducted, and the products, processes and services of the Company Group, have not infringed, misappropriated, diluted or otherwise violated, and do not and will not infringe, dilute, misappropriate or otherwise violate the Intellectual Property or other rights of any Person. No Person has infringed, misappropriated, diluted or otherwise violated, or is currently infringing, misappropriating, diluting or otherwise violating, any Company Intellectual Property.

(g) Except as set forth in Section 3.12(g) of the Company Disclosure Letter, there are no Actions (including any oppositions, interferences or re-examinations) settled, pending or, to the Company's Knowledge, threatened (including in the form of offers to obtain a license): (i) alleging any infringement, misappropriation, dilution or violation of the Intellectual Property of any Person by the Company Group or otherwise based on the conducting of the Business; (ii) challenging the validity, enforceability, registrability or ownership of any Company Intellectual Property or the Company Group's rights with respect to any Company Intellectual Property or any Intellectual Property licensed under any Company IP Agreements; or (iii) by the Company Group or any other Person alleging any infringement, misappropriation, dilution or violation by any Person of the Company Intellectual Property. The Company Group is not subject to any outstanding or prospective Governmental Order (including any motion or petition therefor) that does or would restrict or impair the use of any Company Intellectual Property.

(h) The computer hardware, servers, networks, platforms, peripherals, data communication lines, and other information technology equipment and related systems, including any outsourced systems and processes and any backup, data and disaster recovery, and business continuity plans, procedures, and facilities, that are owned or used by the Company Group ("Company Systems") are reasonably sufficient for the immediate and anticipated needs of the Business. In the past twenty-four (24) months, there has been no unauthorized access, use, intrusion, or breach of security or privacy, or failure, breakdown, performance reduction, or other adverse event affecting any Company Systems, that has caused or could reasonably be expected to cause any: (i) substantial disruption of such Company Systems or the conduct of the Business;

(ii) loss, destruction, damage, or harm of or to the Company Group or their operations, personnel, property, or other assets; or (iii) liability of any kind to the Company Group. The Company Group has taken all reasonable actions, consistent with applicable industry best practices, to protect the integrity and security of the Company Systems and the data and other information stored or processed thereon.

Section 3.13 Accounts Receivable. The accounts receivable reflected on the Interim Balance Sheet and the accounts receivable arising after the date thereof (a) have arisen from bona fide transactions entered into by the Company Group involving the sale of goods or the rendering of services in the ordinary course of business consistent with past practice, and (b) to the Knowledge of Company, constitute only valid, undisputed claims of the Company Group not subject to claims of set-off or other defenses or counterclaims other than normal cash discounts accrued in the ordinary course of business consistent with past practice.

Section 3.14 Reserved.

Section 3.15 Reserved.

Section 3.16 Insurance. The Company has delivered to Parent true, correct, and complete copies of all current policies or binders of fire, liability, product liability, umbrella liability, real and personal property, workers' compensation, vehicular, directors and officers' liability, fiduciary liability and other casualty and property insurance maintained by Company Group and relating to the assets, business, operations, employees, officers and directors of the Company Group (collectively, the "Insurance Policies"). Such Insurance Policies are in full force and effect and shall remain in full force and effect following the consummation of the transactions contemplated by this Agreement. The Company Group has not received any written notice of cancellation of, premium increase with respect to, or alteration of coverage under, any of such Insurance Policies. All premiums due on such Insurance Policies have either been paid or, if due and payable prior to Closing, will be paid prior to Closing in accordance with the payment terms of each Insurance Policy. The Insurance Policies do not provide for any retrospective premium adjustment or other experience-based liability on the part of the Company Group. All such Insurance Policies (a) are valid and binding in accordance with their terms; (b) are provided by carriers who are financially solvent; and (c) have not been subject to any lapse in coverage. There are no claims related to the business of the Company Group pending under any such Insurance Policies as to which coverage has been questioned, denied or disputed or in respect of which there is an outstanding reservation of rights. The Company Group is not in default under, and has not otherwise failed to comply with, in any material respect, any provision contained in any such Insurance Policy. The Insurance Policies are sufficient for compliance with all applicable Laws and Contracts to which the Company Group is a party or by which it is bound.

Section 3.17 Legal Proceedings; Governmental Orders.

(a) Except as set forth in Section 3.17(a) of the Company Disclosure Letter, there are no Actions pending or, to the Company's Knowledge, threatened (a) against or by the Company Group affecting any of its properties or assets, or (b) against or by the Company Group that challenges or seeks to prevent, enjoin or otherwise delay the transactions contemplated by

this Agreement. No event has occurred or circumstances exist that may give rise to, or serve as a basis for, any such Action.

(b) Except as set forth in Section 3.17(b) of the Company Disclosure Letter, there are no outstanding Governmental Orders and no unsatisfied judgments, penalties or awards against or affecting the Company Group or any of its properties or assets. The Company Group is in compliance with the terms of each Governmental Order set forth in Section 3.17(b) of the Company Disclosure Letter. No event has occurred or circumstances exist that may constitute or result in (with or without notice or lapse of time) a violation of any such Governmental Order

Section 3.18 Compliance with Laws; Permits.

(a) The Company and its Subsidiaries have been and are in compliance in all respects with all Laws applicable to them and the Business, and neither the Company nor any of its Subsidiaries has received any written notice or correspondence or any other communication from any Governmental Authority asserting any non-compliance with any applicable Law by the Company or any of its Subsidiaries that has not been cured as of the date of this Agreement without any ongoing Liability, except, in each case, as would not, individually or in the aggregate, reasonably be expected to result in a Material Adverse Effect or to prevent, materially delay, or materially impair the consummation of the transactions contemplated by this Agreement.

(b) All Permits required for the Company Group to conduct the Business have been obtained by it and are valid and in full force and effect. All fees and charges with respect to such Permits as of the date hereof have been paid in full. The Company has delivered to Parent true, correct, and complete copies of all current Permits issued to the Company Group, including the names of the Permits and their respective dates of issuance and expiration. No event has occurred that, with or without notice or lapse of time or both, would reasonably be expected to result in the revocation, suspension, lapse or limitation of any such Permit.

Section 3.19 Environmental Matters.

(a) The Company Group is currently and has been in compliance with all Environmental Laws and has not received from any Person any: (i) Environmental Notice or Environmental Claim, or (ii) written request for information pursuant to Environmental Law, which, in each case, either remains pending or unresolved, or is the source of ongoing obligations or requirements as of the Closing Date.

(b) The Company Group has obtained and is in material compliance with all Environmental Permits (a true and complete copy of each of which has been delivered to Parent) necessary for the ownership, lease, operation or use of the business or assets of the Company Group and all such Environmental Permits are in full force and effect and shall be maintained in full force and effect by the Company Group through the Closing Date in accordance with Environmental Law, and the Company is not aware of any condition, event or circumstance that might prevent or impede, after the Closing Date, the ownership, lease, operation or use of the business or assets of the Company Group as currently carried out. With respect to any such Environmental Permits, the Company Group has undertaken all measures necessary to facilitate

transferability of the same (if and to the extent such measures are required), and the Company is not aware of any condition, event or circumstance that might prevent or impede the transferability of the same, nor has it received any Environmental Notice or written communication regarding any material adverse change in the status or terms and conditions of the same.

(c) No real property currently or formerly owned, operated or leased by the Company Group is listed on, or has been proposed for listing on, the National Priorities List (or CERCLIS) under CERCLA, or any similar state list.

(d) There has been no Release of Hazardous Materials in contravention of Environmental Law with respect to the business or assets of the Company Group or any real property currently or formerly owned, operated or leased by the Company Group, which could reasonably be expected to result in an Environmental Claim against, or a violation of Environmental Law or term of any Environmental Permit by, the Company Group.

(e) The Company Group has not received an Environmental Notice that any real property currently or formerly owned, operated or leased in connection with the business of the Company Group (including soils, groundwater, surface water, buildings and other structure located on any such real property) has been contaminated with any Hazardous Material.

(f) The Company has delivered to Parent true and complete information and documentation regarding all active or abandoned aboveground or underground storage tanks owned or operated by the Company Group.

(g) The Company has delivered to Parent true and complete information and documentation regarding all off-site Hazardous Materials treatment, storage, or disposal facilities or locations used by the Company Group and any predecessors as to which the Company Group may retain liability, and none of these facilities or locations has been placed or proposed for placement on the National Priorities List (or CERCLIS) under CERCLA, or any similar state list, and the Company Group has not received any Environmental Notice regarding potential liabilities with respect to such off-site Hazardous Materials treatment, storage, or disposal facilities or locations used by the Company Group.

(h) The Company Group has not retained or assumed, by contract or operation of Law, any liabilities or obligations of third parties under Environmental Law.

(i) The Company has provided or otherwise made available to Parent: (i) any and all environmental reports, studies, audits, records, sampling data, site assessments, risk assessments, economic models and other similar documents with respect to the business or assets of the Company Group or any currently or formerly owned, operated or leased real property which are in the possession or control of the Company Group related to compliance with Environmental Laws, Environmental Claims or an Environmental Notice or the Release of Hazardous Materials; and (ii) any and all material documents concerning planned or anticipated capital expenditures required to reduce, offset, limit or otherwise control pollution and/or emissions, manage waste or otherwise ensure compliance with current or future Environmental

Laws (including, without limitation, costs of remediation, pollution control equipment and operational changes).

(j) The Company is not aware of, and does not reasonably anticipate, as of the Closing Date, any condition, event or circumstance concerning the Release or regulation of Hazardous Materials that might, after the Closing Date, prevent, impede or materially increase the costs associated with the ownership, lease, operation, performance or use of the business or assets of the Company Group as currently carried out.

Section 3.20 Employee Benefit Matters.

(a) The Company has delivered to Parent true, correct, and complete copies of each pension, benefit, retirement, compensation, employment, consulting, profit-sharing, deferred compensation, incentive, bonus, performance award, phantom equity, stock or stock-based, change in control, retention, severance, vacation, paid time off, welfare, fringe-benefit and other similar agreement, plan, policy, program or arrangement (and any amendments thereto), in each case whether or not reduced to writing and whether funded or unfunded, including each "employee benefit plan" within the meaning of Section 3(3) of ERISA, whether or not tax-qualified and whether or not subject to ERISA, which is or has been maintained, sponsored, contributed to, or required to be contributed to by the Company for the benefit of any current or former employee, officer, director, retiree, independent contractor or consultant of the Company or any spouse or dependent of such individual, or under which the Company or any Company ERISA Affiliate has or may have any Liability, or with respect to which Parent or any of its Affiliates would reasonably be expected to have any Liability, contingent or otherwise (each, a "Company Benefit Plan"). The Company has delivered to Parent true and complete documentation and information identifying the plan sponsor of each of the Company Benefit Plans and any Company Benefit Plan that provides accelerated, enhanced or additional benefits in connection with a change in control. No Company Benefit Plan is maintained for the benefit of current or former employees or other service providers of the Company or any ERISA Affiliate or Subsidiary based outside of the United States.

(b) With respect to each Company Benefit Plan, the Company has made available to Parent accurate, current, and complete copies of each of the following: (i) where the Company Benefit Plan has been reduced to writing, the plan document together with all amendments; (ii) where the Company Benefit Plan has not been reduced to writing, a written summary of all material plan terms; (iii) copies of any summary plan descriptions, summaries of benefits and coverage, summaries of material modifications relating to any Company Benefit Plan; (iv) in the case of any Company Benefit Plan for which a Form 5500 is required to be filed, a copy of the two most recently filed Form 5500, with schedules attached; and (v) the most recent nondiscrimination tests performed under the Code.

(c) To the Company's Knowledge, each Company Benefit Plan has been established, administered and maintained in accordance with its terms and in compliance with all applicable Laws (including ERISA, the Code, and any applicable local Laws). All benefits, contributions and premiums relating to each Company Benefit Plan have been timely paid in accordance with the terms of such Company Benefit Plan and all applicable Laws and accounting principles.

(d) With respect to each Company Benefit Plan no plan is or ever has been at any time in the past and the Company nor any ERISA Affiliate has at any time in the past, sponsored, maintained, contributed to, or required to contribute to, or is reasonably expected to have any direct or indirect liability with respect to, any benefit plan that is: (i) a plan intended to be qualified within the meaning of Section 401(a) of the Code; (ii) a "multiemployer plan" within the meaning of Section 3(37) of ERISA; (iii) a "multiple employer plan" within the meaning of Section 413(c) of the Code or a "multiple employer welfare arrangement" (as defined in Section 3(40) of ERISA); (iv) a "voluntary employees' beneficiary association" within the meaning of Section 501(c)(9) of the Code; or (v) a "defined benefit plan" or subject to Title IV of ERISA or Section 412 of the Code. Other than as required under Sections 601 to 608 of ERISA or other applicable Law, no Company Benefit Plan provides post-termination or retiree welfare benefits to any individual for any reason.

(e) There is no pending or, to the Company's Knowledge, threatened Action relating to a Company Benefit Plan (other than routine claims for benefits), and no Company Benefit Plan has within the three years prior to the date hereof been the subject of an examination or audit by a Governmental Authority or the subject of an application or filing under or is a participant in, an amnesty, voluntary compliance, self-correction or similar program sponsored by any Governmental Authority.

(f) Neither the execution of this Agreement nor any of the transactions contemplated by this Agreement will (either alone or upon the occurrence of any additional or subsequent events): (i) entitle any current or former director, officer, employee, independent contractor or consultant of the Company to severance pay or any other payment; (ii) accelerate the time of payment, funding or vesting, or increase the amount of compensation due to any such individual; (iii) limit or restrict the right of the Company to merge, amend or terminate any Company Benefit Plan; (iv) increase the amount payable under or result in any other material obligation pursuant to any Company Benefit Plan; (v) result in "excess parachute payments" within the meaning of Section 280G(b) of the Code; or (vi) require a "gross-up" or other payment to any "disqualified individual" within the meaning of Section 280G(c) of the Code.

Section 3.21 Employment Matters.

(a) The Company has delivered to Parent true and complete information and documentation identifying all persons who are employees, independent contractors or consultants of a Company Group Member as of the date hereof, including any employee who is on a leave of absence of any nature, paid or unpaid, authorized or unauthorized, and sets forth for each such individual the following: (i) name; (ii) title or position (including whether full or part time); (iii) hire date; (iv) current annual base compensation rate; (v) commission, bonus or other incentive-based compensation; and (vi) a description of the fringe benefits provided to each such individual as of the date hereof.

(b) No Company Group Member is, nor has for the past five years been, a party to, bound by, or negotiating any collective bargaining agreement or other Contract with a union, works council or labor organization (collectively, "Union"), and there is not, and has not been for the past five years, any Union representing or purporting to represent any employee of any Company Group Member, and, to the Company's Knowledge, no Union or group of

employees is seeking or has sought to organize employees for the purpose of collective bargaining. There has never been, nor has there been any threat of, any strike, slowdown, work stoppage, lockout, concerted refusal to work overtime or other similar labor disruption or dispute affecting any Company Group or any of their employees. No Company Group Member has a duty to bargain with any Union.

(c) Each Company Group Member is and has been in compliance in all material respects with all applicable Laws pertaining to employment and employment practices to the extent they relate to employees of such Company Group Member, including all Laws relating to labor relations, equal employment opportunities, fair employment practices, employment discrimination, harassment, retaliation, reasonable accommodation, disability rights or benefits, immigration, wages, hours, overtime compensation, child labor, hiring, promotion and termination of employees, working conditions, meal and break periods, privacy, health and safety, workers' compensation, leaves of absence and unemployment insurance. All individuals characterized and treated by the any Company Group Member as independent contractors or consultants are properly treated as independent contractors under all applicable Laws. All employees of any Company Group Member classified as exempt under the Fair Labor Standards Act and state and local wage and hour laws are properly classified. Except as set forth in Section 3.21(c) of the Company Disclosure Letter, there are no Actions against any Company Group Member pending or, to the Company's Knowledge, threatened to be brought or filed, by or with any Governmental Authority or arbitrator in connection with the employment of any current or former applicant, employee, consultant, volunteer, intern or independent contractor of any Company Group Member (including, without limitation, any claim relating to unfair labor practices, employment discrimination, harassment, retaliation, equal pay, wage and hours or any other employment-related matter arising under applicable Laws).

Section 3.22 Taxes. Except as set forth in Section 3.22 of the Company Disclosure Letter:

(a) All Tax Returns required to be filed on or before the Closing Date by the Company Group (or any Company Group Member) 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 Company Group (or any Company Group Member) (whether or not shown on any Tax Return) have been, or will be, timely paid.

(b) The Company Group has withheld and paid each Tax required to have been withheld and paid in connection with amounts paid or owing to any employee, independent contractor, creditor, customer, equityholder or other party, and complied with all information reporting and backup withholding provisions of applicable Law.

(c) No claim has been made by any taxing authority in any jurisdiction where the Company Group does not file Tax Returns that it is, or may be, subject to Tax by that jurisdiction.

(d) No extensions or waivers of statutes of limitations have been given or requested with respect to any Taxes of the Company Group (or any Company Group Member).

(e) The amount of the Company Group's Liability for unpaid Taxes for all periods ending on or before September 30, 2019, does not, in the aggregate, exceed the amount of accruals for Taxes (excluding reserves for deferred Taxes) reflected on the Financial Statements. The amount of the Company Group's Liability for unpaid Taxes for all periods following the end of the recent period covered by the Financial Statements shall not, in the aggregate, exceed the amount of accruals for Taxes (excluding reserves for deferred Taxes) as adjusted for the passage of time in accordance with the past custom and practice of the Company Group (and which accruals shall not exceed comparable amounts incurred in similar periods in prior years).

(f) Section 3.22(f) of the Company Disclosure Letter sets forth:

(i) the taxable years of the Company Group as to which the applicable statutes of limitations on the assessment and collection of Taxes have not expired;

(ii) those years for which examinations by the taxing authorities have been completed; and

(iii) those taxable years for which examinations by taxing authorities are presently being conducted.

(g) All deficiencies asserted, or assessments made, against the Company Group (or any Company Group Member) as a result of any examinations by any taxing authority have been fully paid.

(h) No Company Group Member is a party to any Action by any taxing authority. There are no pending or, to the Company's Knowledge, threatened Actions by any taxing authority.

(i) The Company has delivered to Parent true, correct, and complete copies of all federal, state, local and foreign income, franchise and similar Tax Returns, examination reports, and statements of deficiencies assessed against, or agreed to by, the Company Group (or any Company Group Member) for all Tax periods ending after December 31, 2013.

(j) There are no Encumbrances for Taxes (other than for current Taxes not yet due and payable) upon the assets of the Company Group (or any Company Group Member).

(k) No Company Group Member is a party to, or bound by, any Tax indemnity, Tax sharing or Tax allocation agreement.

(l) No private letter rulings, technical advice memoranda or similar agreement or rulings have been requested, entered into or issued by any taxing authority with respect to the Company Group (or any Company Group Member).

(m) No Company Group Member has been a member of an affiliated, combined, consolidated or unitary Tax group for Tax purposes. No Company Group Member has any Liability for Taxes of any Person (other than the Company Group) under Treasury

Regulations Section 1.1502-6 (or any corresponding provision of state, local or foreign Law), as transferee or successor, by contract or otherwise.

(n) No Company Group Member will be required to include any item of income in, or exclude any item or deduction from, taxable income for taxable period or portion thereof ending after the Closing Date as a result of:

(i) any change in a method of accounting under Section 481 of the Code (or any comparable provision of state, local or foreign Tax Laws), or use of an improper method of accounting, for a taxable period ending on or prior to the Closing Date;

(ii) an installment sale or open transaction occurring on or prior to the Closing Date;

(iii) a prepaid amount received on or before the Closing Date;

(iv) any closing agreement under Section 7121 of the Code, or similar provision of state, local or foreign Law; or

(v) any election under Section 108(i) of the Code.

(o) No Company Group Member is, nor has it been, a United States real property holding corporation (as defined in Section 897(c)(2) of the Code) during the applicable period specified in Section 897(c)(1)(a) of the Code.

(p) No Company Group Member is, nor has been, a "distributing corporation" or a "controlled corporation" in connection with a distribution described in Section 355 of the Code.

(q) No Company Group Member is, nor has been, a party to, or a promoter of, a "reportable transaction" within the meaning of Section 6707A(c)(1) of the Code and Treasury Regulations Section 1.6011 4(b).

(r) At all times from its inception through the Closing Date, the Company Group has been treated as a partnership or disregarded entity for United States federal and all applicable state and local income tax purposes.

(s) No Company Group Member has at any time been a member of any partnership or joint venture or the holder of a beneficial interest in any trust for any period for which the statute of limitations for any Tax has not expired.

(t) The Company Group has not (i) taken any material Tax deduction that is not permitted under Section 280E of the Code or (ii) reduced gross income for Tax purposes by any cost of goods sold in a manner inconsistent with Section 280E as interpreted in *Patients Mut. Assistance Collective Corp. v. Comm'r*, No. 14776-14 (T.C. Nov. 29, 2018).

Section 3.23 Books and Records. The minute books and records of ownership of the Company Group, all of which have been made available to Parent, are complete and correct and

have been maintained in accordance with sound business practices. The minute books of the Company Group contain accurate and complete records of all meetings, and actions taken by written consent of, the Members, the Company Board, and any committees of the Company Board, and no meeting, or action taken by written consent, of any such Members, Company Board, or committee has been held for which minutes have not been prepared and are not contained in such minute books. At the Closing, all of those books and records will be in the possession of the Company.

Section 3.24 Related Party Transactions. Except as set forth in Section 3.24 of the Company Disclosure Letter, no executive officer, manager, or Member of the Company or any Person owning 5% or more of the Company Common Units (or any of such Person's immediate family members or Affiliates or associates) is a party to any Contract with or binding upon any Company Group Member or any of its assets, rights or properties or has any interest in any property owned by the Company Group or has engaged in any transaction with any of the foregoing within the last 12 months.

Section 3.25 Brokers. No broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of any Company Group Member.

Section 3.26 FDA Compliance. Except as set forth in Section 3.26 of the Company Disclosure Letter:

(a) Since the formation of the Company, the Company and its Subsidiaries have been and are in material compliance with all Laws related to food (including dietary supplements), drug or cosmetic safety and marketing, as applicable to the Business, including the Federal Food, Drug and Cosmetic Act, 21 U.S.C. § 301 et seq., the Federal Trade Commission Act, 15 U.S.C. § 41 et seq., the Organic Foods Production Act, 7 U.S.C. § 6501 et seq., the Perishable Agricultural Commodities Act, 7 U.S.C. § 499a et seq., other applicable Laws enforced by the United States Department of Agriculture, including the Agricultural Act of 2014 (e.g., 7 U.S.C. § 5940) and the Agricultural Marketing Act of 1946 (7 U.S.C. § 1621 et seq.), any similar state or local Laws, including California's Proposition 65, and any other Law related to food, drug, or cosmetic safety and marketing (collectively, "Food, Drug & Cosmetic Laws").

(b) Since the formation of the Company, the products manufactured and distributed by the Company and its Subsidiaries have been and are manufactured and labeled in material compliance with all applicable FDA regulations, including as applicable, those related to good manufacturing practice, nutrition labeling and claims requirements.

(c) Neither the Company nor any of its Subsidiaries has received any written notice from any Governmental Authority alleging any violation of, or any Liability under, Food, Drug & Cosmetic Laws. There are no open inspections, inspectional reports, or other regulatory matters related to the products manufactured, sold, or distributed by the Company or the Subsidiaries before any Governmental Authority responsible for overseeing Food, Drug & Cosmetic Laws.

(d) The Company and its Subsidiaries possess a reasonable basis, as that term is used by the U.S. Federal Trade Commission, for all claims made about the products marketed by the Company and its Subsidiaries, including competent and reliable scientific evidence for any health benefit claims for such products. Neither the Company nor its Subsidiaries are currently subject to any U.S. Federal Trade Commission consent decrees or similar agreements with state attorneys general or other consumer protection agencies.

(e) Since the formation of the Company, the Company and its Subsidiaries have not voluntarily or involuntarily initiated, conducted or issued, or caused to be initiated, conducted or issued, any recall, market withdrawal or replacement relating to alleged lack of safety or regulatory compliance of any product, and, there are no facts or circumstances that would cause any Governmental Authority to require the recall, market withdrawal, replacement, reformulation, relabeling or suspension of manufacturing, promotion, importation or sale of any product that would be material and adverse to the Company Group. Neither the Company nor its Subsidiaries have submitted any reports to the FDA Reportable Food Registry nor have any FDA Reportable Food Registry reports been filed by others related to the Company's or its Subsidiaries' products or to ingredients used in the Company's or its Subsidiaries' products.

(f) All Cannabis products sold by the Company and its Subsidiaries, at the time of sale by the Company or its Subsidiary, as applicable: (i) meet the applicable required specifications for the product; (ii) are fit for the purpose for which they are intended by the Company or its Subsidiary, as applicable, and are of merchantable quality; (iii) have been cultivated, processed, packaged, labelled, imported, tested, stored, transported and delivered in accordance with the applicable Permits and all applicable Laws; (iv) are not adulterated, tainted or contaminated and do not contain any substance affirmatively prohibited by applicable Law; (v) have been cultivated, processed, packaged, labelled, imported, tested, stored and transported in facilities authorized by the applicable Permits in compliance with the terms of such Permits; and (vi) are marketed and promoted in material compliance with applicable Laws.

Section 3.27 Controlled Substances Compliance. Except as set forth in Section 3.27 of the Company Disclosure Letter:

(a) Since the formation of the Company (i) the Company and its Subsidiaries have been and are in compliance in all material respects with all Controlled Substances Laws applicable to the Company and its Subsidiaries, (ii) neither the Company nor any of its Subsidiaries has received any written notice or correspondence or any other communication from any Governmental Authority asserting any non-compliance with any applicable Controlled Substances Laws by the Company or any of its Subsidiaries that has not been cured as of the date of this Agreement without any ongoing Liability, and (iii) there are no open inspections, inspectional reports or other regulatory matters or Actions related to the products marketed, manufactured, sold or distributed by the Company or its Subsidiaries before any Governmental Authority responsible for enforcing or overseeing compliance with Controlled Substances Laws.

(b) The Company and its Subsidiaries have implemented, maintain and comply in all material respects with internal compliance oversight procedures designed to detect and prevent violations of any applicable Laws relevant to the Cannabis industry.

(c) Each of the Company's and its Subsidiaries' current managers, members, limited or general partners, directors, officers and equityholders is not disqualified from owning an interest in a commercial Cannabis business licensed for cultivation, manufacturing, retail or distribution under any state or municipal law, regulation or ordinance pertaining to Cannabis.

(d) The products marketed, manufactured, sold or distributed by the Company or its Subsidiaries are not the subject of any pending Actions before any Governmental Authority responsible for enforcing or overseeing compliance with any state or municipal law, regulation or ordinance pertaining to Cannabis.

(e) The Company and each of its Subsidiaries has, at all times, conducted its Industrial Hemp cultivation activities in accordance with the requirements of either the 2014 Farm Bill or the 2018 Farm Bill.

(f) All CBD included in all products manufactured, distributed or sold by any Company Group Member have been derived from Industrial Hemp produced in accordance with the requirements of either the 2014 Farm Bill or the 2018 Farm Bill.

Section 3.28 Business Practices; Illegal Payments; Trade Laws.

(a) Except as set forth in Section 3.28(a) of the Company Disclosure Letter, the activities of the Company and each of its Subsidiaries and their respective current and former officers, directors, managers, members, equityholders, agents and employees have complied in all material respects, and the operations of the Company and each of its Subsidiaries has complied in all material respects, with all applicable Laws governing corrupt or illicit business practices, including Laws dealing with improper or illegal payments, gifts or gratuities and/or the payment of money or anything of value directly or indirectly to any Person (whether a government official or private individual) for the purpose of illegally or improperly inducing any Person or government official, or political party or official thereof, or any candidate for any such position, in making any decision or improperly assisting any Person in obtaining or retaining business or taking any other action favorable to such Person, and/or dealing with business practices in relation to investments outside of the United States (including, by way of example, if applicable, the United States Foreign Corrupt Practices Act, as amended). None of the Company or its Subsidiaries or, to the Company's Knowledge, any of their respective officers, directors, managers, members, equityholders, agents, employees or any other Person has, (a) used any funds for unlawful contributions, gifts, entertainment or other unlawful expenses relating to political activity, (b) established or maintained any unrecorded fund or asset for any purpose or made any false entries on the books and records of the Company or its Subsidiaries for any reason, or (c) paid or delivered any fee, commission or any other sum of money or item of property, however characterized, or made any other unlawful payment to any finder, agent, government official or other party, in the United States or any other country, which in any manner relates to the assets, business or operations of the Company or its Subsidiaries in violation of any United States federal, state or local Law or any foreign Law.

(b) Except as set forth in Section 3.28(b) of the Company Disclosure Letter, the activities of each Company and each of its Subsidiaries and their respective current and former officers, directors, managers, members, equityholders, agents and employees have

complied in all material respects, and the operations of the Company and each of its Subsidiaries has complied in all material respects, with all applicable Laws governing and has in effect all licenses, permits and authorizations that are legally necessary or commercially advisable to the Company Group's performance including, but not limited to (1) U.S. export regulations, (2) applicable customs regulations, (3) USA Patriot Act, as amended, (4) U.S. Treasury regulations, (5) anti-dumping laws, and (6) all other U.S. or foreign Laws and regulations relating to international trade and investment activities.

Section 3.29 Investment Representations. Each Member is acquiring Parent Common Stock for its own account with the present intention of holding such Parent Common Stock for investment purposes only and not with a view to or for sale in connection with any public distribution of such securities in violation of any federal or state securities Laws. Each Member is an "accredited investor" as defined in Regulation D promulgated by the Securities and Exchange Commission under the Exchange Act.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF PARENT AND MERGER SUB

Except as disclosed in the Parent Public Record and that is reasonably apparent on the face of such disclosure to be applicable to the representation and warranty set forth herein (other than any disclosures contained or referenced therein under the captions "Risk Factors" and "Forward-Looking Statements", and any other disclosures contained or referenced therein of information, factors, or risks that are predictive, cautionary, or forward-looking in nature), Parent and Merger Sub hereby jointly and severally represent and warrant to the Company that the statements contained in this Article IV are true and correct as of the date hereof.

Section 4.01 Organization; Standing and Power; Charter Documents; Subsidiaries.

(a) Organization; Standing and Power. Each of Parent and its Subsidiaries is a corporation, limited liability company, or other legal entity duly organized, validly existing, and in good standing (to the extent that the concept of "good standing" is applicable in the case of any jurisdiction outside the United States) under the Laws of its jurisdiction of organization, and has the requisite corporate, limited liability company, or other organizational, as applicable, power and authority to own, lease, and operate its assets and to carry on its business as now conducted. Each of Parent and its Subsidiaries is duly qualified or licensed to do business as a foreign corporation, limited liability company, or other legal entity and is in good standing (to the extent that the concept of "good standing" is applicable in the case of any jurisdiction outside the United States) in each jurisdiction where the character of the assets and properties owned, leased, or operated by it or the nature of its business makes such qualification or license necessary, except where the failure to be so qualified or licensed or to be in good standing, would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect.

(b) Charter Documents. The copies of the Certificate of Incorporation, Articles of Incorporation and Bylaws of Parent that Parent has delivered or made available to the Company are true, correct, and complete copies of such documents as in effect as of the date of this Agreement. Parent has delivered or made available to the Company a true and correct copy

of the Charter Documents of Merger Sub. Neither Parent nor Merger Sub is in violation of any of the provisions of its Charter Documents.

(c) Subsidiaries. All of the outstanding shares of capital stock of, or other equity or voting interests in, each Subsidiary of Parent have been validly issued and are owned by Parent, directly or indirectly, free of pre-emptive rights, are fully paid and non-assessable, and are free and clear of all Encumbrances, including any restriction on the right to vote, sell, or otherwise dispose of such capital stock or other equity or voting interests, except for any Encumbrances: (i) imposed by applicable securities Laws; or (ii) arising pursuant to the Charter Documents of any non-wholly-owned Subsidiary of Parent. Except for the capital stock of, or other equity or voting interests in, its Subsidiaries, Parent does not own, directly or indirectly, any capital stock of, or other equity or voting interests in, any Person.

Section 4.02 Capital Structure.

(a) Capital Stock. The authorized capital stock of Parent consists of: (i) an unlimited number of shares of Parent Common Stock; and (ii) an unlimited number of shares of preferred stock of Parent (the "Parent Preferred Stock"). As of the close of business on December 9, 2019: (A) 169,908,997 shares of Parent Common Stock were issued and outstanding (not including shares held in treasury); (B) no shares of Parent Common Stock were issued and held by Parent in its treasury; and (C) no shares of Parent Preferred Stock were issued and outstanding or held by Parent in its treasury; and since December 9, 2019 and through the date hereof, no additional shares of Parent Common Stock or shares of Parent Preferred Stock have been issued other than the issuance of shares of Parent Common Stock upon the exercise or settlement of Parent Equity Awards. All of the outstanding shares of capital stock of Parent are, and all shares of capital stock of Parent that may be issued as contemplated or permitted by this Agreement, including the shares of Parent Common Stock constituting the Merger Consideration, will be, when issued, duly authorized, validly issued, fully paid, and non-assessable, and not subject to any pre-emptive rights. No Subsidiary of Parent owns any shares of Parent Common Stock.

(b) Stock Awards.

(i) As of the close of business on December 9, 2019, an aggregate of 54,886,688 shares of Parent Common Stock were available for issuance pursuant to (i) Parent Equity Awards not yet granted under the Parent Stock Plans and (ii) the Parent Warrants. As of the close of business on December 9, 2019, 19,093,655 shares of Parent Common Stock were reserved for issuance pursuant to outstanding Parent Stock Options, 4,863,471 shares of Parent Common Stock were reserved for issuance pursuant to outstanding Parent Restricted Share Units and 30,929,562 shares of Parent Common Stock were reserved for issuance pursuant to outstanding Parent Warrants. All shares of Parent Common Stock subject to issuance under the Parent Stock Plans, upon issuance in accordance with the terms and conditions specified in the instruments pursuant to which they are issuable, will be duly authorized, validly issued, fully paid, and non-assessable.

(ii) Other than the Parent Equity Awards and the Parent Warrants, as of the date hereof, there are no outstanding (A) securities of Parent or any of its Subsidiaries

convertible into or exchangeable for Parent Voting Debt or shares of capital stock of Parent, (B) options, warrants, or other agreements or commitments to acquire from Parent or any of its Subsidiaries, or obligations of Parent or any of its Subsidiaries to issue, any Parent Voting Debt or shares of capital stock of (or securities convertible into or exchangeable for shares of capital stock of) Parent, or (C) restricted shares, restricted stock units, stock appreciation rights, performance shares, profit participation rights, contingent value rights, "phantom" stock, or similar securities or rights that are derivative of, or provide economic benefits based, directly or indirectly, on the value or price of, any shares of capital stock of Parent, in each case that have been issued by Parent or its Subsidiaries (the items in clauses (A), (B), and (C), together with the capital stock of Parent, being referred to collectively as "Parent Securities"). All outstanding shares of Parent Common Stock, all outstanding Parent Equity Awards, and all outstanding shares of capital stock, voting securities, or other ownership interests in any Subsidiary of Parent, have been issued or granted, as applicable, in compliance in all material respects with all applicable securities Laws.

(iii) As of the date hereof, there are no outstanding Contracts requiring Parent or any of its Subsidiaries to repurchase, redeem, or otherwise acquire any Parent Securities or Parent Subsidiary Securities. Neither Parent nor any of its Subsidiaries is a party to any voting agreement with respect to any Parent Securities or Parent Subsidiary Securities.

(c) Voting Debt. No bonds, debentures, notes, or other indebtedness issued by Parent or any of its Subsidiaries: (i) having the right to vote on any matters on which stockholders or equityholders of Parent or any of its Subsidiaries may vote (or which is convertible into, or exchangeable for, securities having such right); or (ii) the value of which is directly based upon or derived from the capital stock, voting securities, or other ownership interests of Parent or any of its Subsidiaries, are issued or outstanding (collectively, "Parent Voting Debt").

(d) Parent Subsidiary Securities. As of the date hereof, there are no outstanding: (i) securities of Parent or any of its Subsidiaries convertible into or exchangeable for Parent Voting Debt, capital stock, voting securities, or other ownership interests in any Subsidiary of Parent; (ii) options, warrants, or other agreements or commitments to acquire from Parent or any of its Subsidiaries, or obligations of Parent or any of its Subsidiaries to issue, any Parent Voting Debt, capital stock, voting securities, or other ownership interests in (or securities convertible into or exchangeable for capital stock, voting securities, or other ownership interests in) any Subsidiary of Parent; or (iii) restricted shares, restricted stock units, stock appreciation rights, performance shares, profit participation rights, contingent value rights, "phantom" stock, or similar securities or rights that are derivative of, or provide economic benefits based, directly or indirectly, on the value or price of, any capital stock or voting securities of, or other ownership interests in, any Subsidiary of Parent, in each case that have been issued by a Subsidiary of Parent (the items in clauses (i), (ii), and (iii), together with the capital stock, voting securities, or other ownership interests of such Subsidiaries, being referred to collectively as "Parent Subsidiary Securities").

Section 4.03 Authority; Non-Contravention; Governmental Consents; Board Approval.

(a) Authority. Each of Parent and Merger Sub has all requisite corporate or limited liability company, as applicable, power and authority to enter into and to perform its obligations under this Agreement and, subject to, in the case of the consummation of the Merger: (i) the adoption of this Agreement by Parent as the sole member of Merger Sub; and (ii) the need to obtain the affirmative vote of (A) a majority of the outstanding shares of the Parent Common Stock to the Merger; and (B) at least 66 2/3% of the outstanding shares of the Parent Common Stock to the Parent Domestication (in each case, by the shareholders present in person or by proxy at the Parent Stockholder Meeting) (the "Requisite Parent Vote"), to consummate the transactions contemplated by this Agreement (including the Parent Domestication). The execution and delivery of this Agreement by Parent and Merger Sub and the consummation by Parent and Merger Sub of the transactions contemplated by this Agreement have been duly authorized by all necessary corporate or limited liability company, as applicable, action on the part of Parent and Merger Sub and no other corporate or limited liability company, as applicable, proceedings on the part of Parent or Merger Sub are necessary to authorize the execution and delivery of this Agreement or to consummate the Merger, the Parent Stock Issuance, and the other transactions contemplated by this Agreement, subject only, in the case of consummation of the Merger, to: (i) the adoption of this Agreement by Parent as the sole member of Merger Sub; and (ii) the need to obtain the Requisite Parent Vote. This Agreement has been duly executed and delivered by Parent and Merger Sub and, assuming due execution and delivery by the Company, constitutes the legal, valid, and binding obligation of Parent and Merger Sub, enforceable against Parent and Merger Sub in accordance with its terms, subject to the Enforceability Exceptions.

(b) Non-Contravention. The execution, delivery, and performance of this Agreement by Parent and Merger Sub and the consummation by Parent and Merger Sub of the transactions contemplated by this Agreement, do not and will not: (i) contravene or conflict with, or result in any violation or breach of, the Charter Documents of Parent or Merger Sub; (ii) assuming that all of the Consents contemplated by clauses (i) through (v) of Section 4.03(c) have been obtained or made, and in the case of the consummation of the Merger, obtaining the Requisite Parent Vote, conflict with or violate any Law applicable to Parent or Merger Sub or any of their respective properties or assets; (iii) result in any breach of or constitute a default (or an event that with notice or lapse of time or both would become a default) under, result in Parent's or any of its Subsidiaries' loss of any benefit or the imposition of any additional payment or other liability under, or alter the rights or obligations of any third party under, or give to any third party any rights of termination, amendment, acceleration, or cancellation, or require any Consent under, any Contract to which Parent or any of its Subsidiaries is a party or otherwise bound as of the date hereof; or (iv) result in the creation of a Encumbrances (other than Permitted Encumbrances) on any of the properties or assets of Parent or any of its Subsidiaries, except, in the case of each of clauses (ii), (iii), and (iv) of this Section 4.03(b), for any conflicts, violations, breaches, defaults, loss of benefits, additional payments or other liabilities, alterations, terminations, amendments, accelerations, cancellations, or Encumbrances that, or where the failure to obtain any consents, in each case, would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect.

(c) Governmental Consents. No Consent of any Governmental Authority is required to be obtained or made by Parent or Merger Sub in connection with the execution, delivery, and performance by Parent and Merger Sub of this Agreement or the consummation by Parent and Merger Sub of the Merger, the Parent Stock Issuance, and the other transactions contemplated hereby, except for: (i) the filing of the Statement of Merger with the Colorado Secretary of State; (ii) the filing of the Proxy Statement in definitive form in accordance with applicable Securities Authorities; (iii) such Consents as may be required under the HSR Act and other antitrust Laws, in any case that are applicable to the transactions contemplated by this Agreement; (iv) such Consents as may be required under applicable state securities or "blue sky" Laws and the securities Laws of any foreign country or the rules and regulations of the Securities Authorities and the Exchange Act; (v) the Other Governmental Approvals; and (vi) such other Consents that, if not obtained or made, would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect.

(d) Board Approval.

(i) The Parent Board by resolutions duly adopted by a unanimous vote at a meeting of all directors of Parent duly called and held and, not subsequently rescinded or modified in any way, has (A) determined that this Agreement and the transactions contemplated hereby, including the Merger, and the Parent Stock Issuance, upon the terms and subject to the conditions set forth herein, are fair to, and in the best interests of, Parent and the Parent's stockholders, (B) approved and declared advisable this Agreement, including the execution, delivery, and performance thereof, and the consummation of the transactions contemplated by this Agreement, including the Merger, the Parent Stock Issuance and the Parent Domestication, upon the terms and subject to the conditions set forth herein, (C) directed that the Merger be submitted to a vote of the Parent's stockholders for approval at the Parent Stockholders Meeting, and (D) resolved to recommend that Parent's stockholders vote in favor of approval of the Merger (collectively, the "Parent Board Recommendation").

(ii) The Merger Sub Board by resolutions duly adopted by a unanimous vote at a meeting of all managers of Merger Sub duly called and held and, not subsequently rescinded or modified in any way, has (A) determined that this Agreement and the transactions contemplated hereby, including the Merger, upon the terms and subject to the conditions set forth herein, are fair to, and in the best interests of, Merger Sub and Parent, as the sole member of Merger Sub, (B) approved and declared advisable this Agreement, including the execution, delivery, and performance thereof, and the consummation of the transactions contemplated by this Agreement, including the Merger, upon the terms and subject to the conditions set forth herein, and (C) resolved to recommend that Parent, as the sole member of Merger Sub, approve the adoption of this Agreement in accordance with the Act.

Section 4.04 Securities Filings; Financial Statements; Undisclosed Liabilities.

(a) Securities Filings. Parent has filed with the Securities Authorities all material forms, reports, schedules, statements and other documents required to be filed pursuant to applicable Laws by Parent with the Securities Authorities. The documents comprising the Parent Public Record did not as of the date filed (or if amended or superseded by a subsequent filing prior to the date of this Agreement, on the date of such subsequent filing) contain any

untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make the statements contained therein not misleading in light of the circumstances in which they are made, and complied in all material respects with the requirements of applicable Laws. Parent has not filed any confidential material change report which at the date of this Agreement remains confidential. As of the date hereof, to the Knowledge of Parent, none of the documents comprising the Parent Public Record is the subject of an ongoing review by the Securities Authorities, outstanding comments by the Securities Authorities or outstanding investigation by the Securities Authorities.

(b) Financial Statements. Each of the consolidated financial statements (including, in each case, any notes and schedules thereto) contained in or incorporated by reference into the Parent Public Record: (i) complied as to form in all material respects with the published rules and regulations of the Securities Authorities with respect thereto as of their respective dates; (ii) was prepared in accordance with IFRS applied on a consistent basis throughout the periods involved (except as may be indicated in the notes thereto); and (iii) fairly presented in all material respects the consolidated financial position and the results of operations, changes in stockholders' equity, and cash flows of Parent and its consolidated Subsidiaries as of the respective dates of and for the periods referred to in such financial statements, subject, in the case of unaudited interim financial statements, to normal and year-end audit adjustments as permitted by IFRS and the applicable rules and regulations of the Securities Authorities (but only if the effect of such adjustments would not, individually or in the aggregate, be material).

(c) Undisclosed Liabilities. The unaudited statement of financial position of Parent dated as of September 30, 2019 contained in the Parent Public Record filed prior to the date hereof is hereinafter referred to as the "Parent Balance Sheet." Neither Parent nor any of its Subsidiaries has any Liabilities other than Liabilities that: (i) are reflected or reserved against in the Parent Balance Sheet (including in the notes thereto); (ii) were incurred since the date of the Parent Balance Sheet in the ordinary course of business consistent with past practice and are not, individually or in the aggregate, material in amount; (iii) contractual and other liabilities incurred in the ordinary course of business consistent with past practice that are not required by IFRS to be reflected on a balance sheet and that are not in the aggregate material; (iv) obligations under Contracts which are not yet fully performed; (v) obligations imposed by applicable Law on Persons engaged in the same lines of business as the Parent; (vi) are incurred in connection with the transactions contemplated by this Agreement; or (vii) would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect.

(d) CSE Compliance. Parent is in compliance with all of the applicable listing and corporate governance rules of the CSE, except for any non-compliance that would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect.

Section 4.05 Absence of Certain Changes or Events. Since the date of the Parent Balance Sheet, except in connection with the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby, the business of Parent and each of its Subsidiaries has been conducted in the ordinary course of business consistent with past practice and there has not been or occurred any Parent Material Adverse Effect or any event, condition,

change, or effect that could reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect.

Section 4.06 Compliance; Permits.

(a) Compliance. Parent and each of its Subsidiaries are and, since January 1, 2017, have been in compliance with, all Laws or Governmental Orders applicable to Parent or any of its Subsidiaries or by which Parent or any of its Subsidiaries or any of their respective businesses or properties is bound, with the exception of the federal Controlled Substances Act as it relates to commercial cannabis activity, and except for such non-compliance that would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect. Since January 1, 2017, no Governmental Authority has issued any notice or notification stating that Parent or any of its Subsidiaries is not in compliance with any Law, except where such non-compliance would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect.

(b) Permits. Parent and its Subsidiaries hold, to the extent necessary to operate their respective businesses as such businesses are being operated as of the date hereof, all Permits except for any Permits for which the failure to obtain or hold would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect. No suspension, cancellation, non-renewal, or adverse modifications of any Permits of Parent or any of its Subsidiaries is pending or, to the Knowledge of Parent, threatened, except for any such suspension or cancellation that would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect. Parent and each of its Subsidiaries is and, since January 1, 2017, has been in compliance with the terms of all Permits, except where the failure to be in such compliance would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect.

Section 4.07 Litigation. There is no Action pending, or to the Knowledge of Parent, threatened against Parent or any of its Subsidiaries or any of their respective properties or assets or, to the Knowledge of Parent, any officer or director of Parent or any of its Subsidiaries in their capacities as such other than any such Action that: (a) involves an amount that would reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect; or (b) seeks material injunctive or other material non-monetary relief. None of Parent or any of its Subsidiaries or any of their respective properties or assets is subject to any order of a Governmental Authority or arbitrator, whether temporary, preliminary, or permanent, that would reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect. To the Knowledge of Parent, there are no CSE or Securities Authorities inquiries or investigations, other governmental inquiries or investigations, or internal investigations pending or, to the Knowledge of Parent, threatened, in each case regarding any accounting practices of Parent or any of its Subsidiaries or any malfeasance by any officer or director of Parent.

Section 4.08 Brokers. Neither Parent, Merger Sub, nor any of their respective Affiliates has incurred, nor will it incur, directly or indirectly, any liability for investment banker, brokerage, or finders' fees or agents' commissions or any similar charges in connection with this Agreement or any transaction contemplated hereby for which the Company would be liable in connection the Merger.

Section 4.09 Merger Sub. Merger Sub (a) has engaged in no business activities other than those related to the transactions contemplated by this Agreement, and (b) is a direct, wholly-owned Subsidiary of Parent.

Section 4.10 Non-Reliance.

(a) EACH OF PARENT AND MERGER SUB HEREBY ACKNOWLEDGES THAT IN MAKING ITS DECISION TO ENTER INTO THIS AGREEMENT, EACH OF PARENT AND MERGER SUB HAS RELIED SOLELY UPON ITS OWN INVESTIGATION. EACH OF PARENT AND MERGER SUB HEREBY ACKNOWLEDGES THAT NONE OF THE MEMBERS OR THE COMPANY IS MAKING ANY REPRESENTATION OR WARRANTY, AND NEITHER PARENT NOR MERGER SUB IS RELYING ON ANY REPRESENTATIONS OR WARRANTIES OF THE MEMBERS OR THE COMPANY, OTHER THAN THE COMPANY'S REPRESENTATIONS AND WARRANTIES SET FORTH IN THIS AGREEMENT. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, EACH OF PARENT AND MERGER SUB HEREBY ACKNOWLEDGES THAT, EXCEPT TO THE EXTENT EXPRESSLY SET FORTH IN THIS AGREEMENT, NONE OF THE MEMBERS OR THE COMPANY IS MAKING ANY REPRESENTATION OR WARRANTY WITH RESPECT TO (i) ANY FINANCIAL PROJECTION OR FORECAST RELATING TO THE COMPANY, (ii) THE EFFECT OF ANY CHANGE IN APPLICABLE LAW (INCLUDING FEDERAL OR STATE REGULATIONS) AFTER THE DATE OF THIS AGREEMENT, (iii) MERCHANTABILITY, (iv) FITNESS FOR ANY PARTICULAR PURPOSE, (v) THE VIABILITY OR LIKELIHOOD OF SUCCESS OF THE BUSINESS, OR (vi) ANY OTHER INFORMATION MADE AVAILABLE, WHETHER PURSUANT TO ANY PRESENTATION MADE REGARDING THE COMPANY, PURSUANT TO ANY ELECTRONIC OR PHYSICAL DELIVERY OF DOCUMENTATION OR OTHER INFORMATION, OR OTHERWISE, TO PARENT, MERGER SUB, EACH OF THEIR AFFILIATES AND THEIR RESPECTIVE REPRESENTATIVES, AND EACH OF PARENT AND MERGER SUB EXPRESSLY DISCLAIMS ANY SUCH REPRESENTATION OR WARRANTY.

(b) In connection with Parent's and Merger Sub's investigation of the Company and the Business, Parent and Merger Sub have received from or on behalf of the Company certain estimates, forecasts, plans and financial projections. Each of Parent and Merger Sub acknowledges that there are uncertainties inherent in attempting to make such estimates, forecasts, plans and financial projections, that Parent and Merger Sub is familiar with such uncertainties, that Parent and Merger Sub is taking full responsibility for making its own evaluation of the adequacy and accuracy of all estimates, forecasts, plans and financial projections so furnished to it (including the reasonableness of the assumptions underlying such estimates, forecasts, plans, and financial projections), and that neither Parent nor Merger Sub shall have a claim against any Member, the Company or any of their respective Representatives or Affiliates with respect thereto. Each of Parent and Merger Sub acknowledges and agrees that none of the Members or the Company makes any representation or warranty with respect to such estimates, forecasts, plans and financial projections (including any such underlying assumptions).

ARTICLE V
COVENANTS

Section 5.01 Conduct of Business of the Company.

(a) During the period from the date of this Agreement until the Effective Time, except as expressly contemplated by this Agreement, as required by applicable Law, or with the prior written consent of Parent (which consent shall not be unreasonably withheld or delayed), the Company shall (x) conduct the business of the Company Group in the ordinary course of business consistent with past practice and (y) use reasonable best efforts to maintain and preserve intact the current organization, business and franchise of the Company Group and to preserve the rights, franchises, goodwill and relationships of its employees, customers, lenders, suppliers, regulators and others having business relationships with the Company Group. Without limiting the foregoing, from the date hereof until the Closing Date, the Company shall:

(i) preserve and maintain all of its Permits;

(ii) pay its debts, Taxes and other obligations when due;

(iii) maintain the properties and assets owned, operated or used by it in the same condition as they were on the date of this Agreement, subject to reasonable wear and tear;

(iv) continue in full force and effect without modification all Insurance Policies, except as required by applicable Law;

(v) defend and protect its properties and assets from infringement or usurpation;

(vi) perform all of its obligations under all Contracts relating to or affecting its properties, assets or business;

(vii) not enter into any line of business or product line other than the existing lines of business and products lines of the Business (including the production of any new SKUs other than with respect to new colors, flavors or aromas of existing products);

(viii) not make or change any disease claims or any other therapeutic claims regarding the body, including on product labels, packaging, websites or social media accounts, other than any disease claims or other therapeutic claims currently made with respect to any specific product or product line;

(ix) not materially lower the quality and testing standards currently in existence with respect to any products or product lines;

(x) maintain its books and records in accordance with past practice;

(xi) consistently monitor and comply with any revisions to federal, state and municipal laws, rules and regulations pertaining to the cultivation, processing, manufacture, sale and distribution of Industrial Hemp and CBD and related products;

(xii) comply in all material respects with all applicable Laws; and

(xiii) not take or permit any action that would cause any of the changes, events or conditions described in Section 3.08 to occur.

(b) Notwithstanding anything in this Agreement to the contrary, from the date hereof until the Closing Date, the Company shall be permitted to issue, sell or otherwise dispose of any of its equity securities in exchange for cash in connection with a bona fide equity financing (a "Company Equity Financing"), provided, that any equity securities issued in connection with such Company Equity Financing shall, at Closing, be included in the Consideration Spreadsheet and converted and exchanged in accordance with Section 2.07 and Section 2.08.

Section 5.02 Conduct of the Business of Parent.

(a) During the period from the date of this Agreement until the Effective Time, Parent shall, and shall cause each of its Subsidiaries, except as expressly contemplated by this Agreement, as required by applicable Law, or with the prior written consent of the Company (which consent shall not be unreasonably withheld, conditioned, or delayed), to use its reasonable best efforts to conduct its business in the ordinary course of business consistent with past practice, provided, however, that Parent shall have the right to conduct internal restructuring of its assets, including transferring its assets to wholly owned subsidiaries in exchange for stock of such subsidiary or one or more inter-company notes. Without limiting the generality of the foregoing, between the date of this Agreement and the Effective Time, except as otherwise expressly contemplated by this Agreement, transactions contemplated in connection with the assets set forth on Schedule 5.02, or as required by applicable Law, Parent shall not, nor shall it permit any of its Subsidiaries to, without the prior written consent of the Company (which consent shall not be unreasonably withheld, conditioned, or delayed):

(i) amend its Charter Documents in a manner that would adversely affect the Company or the holders of Company Common Units relative to the other holders of Parent Common Stock;

(ii) split, combine, or reclassify any Parent Securities or Parent Subsidiary Securities in a manner that would adversely affect the Company or the holders of Company Common Units relative to the other holders of Parent Common Stock, (ii) repurchase, redeem, or otherwise acquire, or offer to repurchase, redeem, or otherwise acquire, any Parent Securities or Parent Subsidiary Securities, or (iii) declare, set aside, or pay any dividend or distribution (whether in cash, stock, property, or otherwise) in respect of, or enter into any Contract with respect to the voting of, any shares of its capital stock (other than dividends from its direct or indirect wholly-owned Subsidiaries and ordinary quarterly dividends, consistent with past practice with respect to timing of declaration and payment);

(iii) issue, sell, pledge, dispose of, or encumber any Parent Securities or Parent Subsidiary Securities, other than (i) the issuance of shares of Parent Common Stock upon the exercise of any Parent Equity Awards outstanding as of the date of this Agreement in accordance with its terms, (ii) the issuance of shares of Parent Common Stock in connection with or upon the exercise of any Parent Equity Awards granted after the date hereof in the ordinary course of business consistent with past practice, (iii) the issuance of shares of Parent Common Stock in connection with or upon the exercise of any Parent Warrants and (iv) sales or issuances of shares of Parent Common Stock or convertible securities in an amount not exceeding 5% of the issued and outstanding shares of Parent Common Stock (in the case of convertible securities, on an as-converted basis) as of the date of this Agreement;

(iv) acquire, by merger, consolidation, acquisition of stock or assets, or otherwise, any business or Person or division thereof or make any loans, advances, or capital contributions to or investments in any Person, in each case that would reasonably be expected to prevent, impede, or materially delay the consummation of the Merger or other transactions contemplated by this Agreement;

(v) adopt or effect a plan of complete or partial liquidation, dissolution, restructuring, recapitalization, or other reorganization;

(vi) except to the extent expressly permitted by Section 5.04 or Article VIII, take any action that is intended or that would reasonably be expected to, individually or in the aggregate, prevent, impede, or materially delay the consummation of the Merger, or the other transactions contemplated by this Agreement; or

(vii) agree or commit to do any of the foregoing.

(b) Parent shall use commercially reasonable efforts to sell, transfer or otherwise dispose of the assets, properties and businesses set forth in Schedule 5.02 (the "Specified Assets") prior to Closing and shall provide (i) reasonable updates (but in any event no less frequent than bi-weekly updates) to the Company regarding the plan for and status of such Specified Assets, (ii) provide prompt notice to the Company of any bona fide offers from third party purchasers for such Specified Assets and (iii) provide the Company and its counsel a reasonable opportunity to review and provide comments on any proposed sale, disposition or acquisition of such Specified Assets, provided that, notwithstanding the above, Parent shall, prior to the Closing, have sole discretion and decision making authority for all matters pertaining to the Specified Assets.

Section 5.03 Access to Information; Confidentiality.

(a) From the date of this Agreement until the earlier to occur of the Effective Time or the termination of this Agreement in accordance with the terms set forth in Article VIII, the Company shall (a) afford Parent and its Representatives full and free access to and the right to inspect all of the Real Property, properties, assets, premises, books and records, Contracts and other documents and data related to the Company, (b) furnish Parent and its Representatives with such financial, operating and other data and information related to the Company Group as Parent or any of its Representatives may reasonably request, and (c) instruct the Representatives of the

Company to cooperate with Parent in its investigation of the Company. Without limiting the foregoing, the Company shall permit Parent and its Representatives to conduct environmental due diligence of the Company and the Real Property, including the collecting and analysis of samples of indoor or outdoor air, surface water, groundwater or surface or subsurface land on, at, in, under or from the Company and the Real Property. Any investigation pursuant to this Section 5.03 shall be conducted in such manner as not to interfere unreasonably with the conduct of the business of the Company. No investigation by Parent or other information received by Parent shall operate as a waiver or otherwise affect any representation, warranty or agreement given or made by the Company in this Agreement.

(b) Parent and the Company shall comply with, and shall cause their respective Representatives to comply with, all of their respective obligations under the Confidentiality Agreement, dated June 25, 2019, between Parent and the Company (as amended on July 22, 2019, the "Confidentiality Agreement"), which shall survive the termination of this Agreement in accordance with the terms set forth therein.

Section 5.04 No Solicitation of Other Bids.

(a) The Company shall not, and shall not authorize or permit any of its Affiliates or any of its or their Representatives to, directly or indirectly, (i) encourage, solicit, initiate, facilitate or continue inquiries regarding an Acquisition Proposal; (ii) enter into discussions or negotiations with, or provide any information to, any Person concerning a possible Acquisition Proposal; or (iii) enter into any agreements or other instruments (whether or not binding) regarding an Acquisition Proposal. The Company shall immediately cease and cause to be terminated, and shall cause its Affiliates and all of its and their Representatives to immediately cease and cause to be terminated, all existing discussions or negotiations with any Persons conducted heretofore with respect to, or that could lead to, an Acquisition Proposal. For purposes hereof, "Acquisition Proposal" means any inquiry, proposal or offer from any Person (other than Parent or any of its Affiliates) concerning (i) a merger, consolidation, liquidation, recapitalization, Unit exchange or other business combination transaction involving the Company, (ii) the issuance or acquisition of membership units or other equity securities of the Company, or (iii) the sale, lease, exchange or other disposition of any significant portion of the Company's properties or assets.

(b) In addition to the other obligations under this Section 5.04, the Company shall promptly (and in any event within three Business Days after receipt thereof by the Company or its Affiliates or Representatives) advise Parent orally and in writing of any Acquisition Proposal, any request for information with respect to any Acquisition Proposal, or any inquiry with respect to or which could reasonably be expected to result in an Acquisition Proposal, the material terms and conditions of such request, Acquisition Proposal or inquiry, and the identity of the Person making the same.

(c) The Company agrees that the rights and remedies for noncompliance with this Section 5.04 shall include having such provision specifically enforced by any court having equity jurisdiction, it being acknowledged and agreed that any such breach or threatened breach shall cause irreparable injury to Parent and that money damages would not provide an adequate remedy to Parent.

Section 5.05 Members Consent.

(a) The Company shall use its reasonable best efforts to obtain, within one hour following the execution and delivery of this Agreement, the Requisite Company Vote pursuant to written consents of the Specified Members (the "Written Consent"). The materials submitted to such Members in connection with the Written Consent shall include the Company Board Recommendation. Promptly following, but in no event later than one Business Day after, receipt of the Written Consent, the Company shall deliver a copy of the Written Consent to Parent.

(b) Promptly following, but in no event later than five Business Days after, receipt of the Written Consent, the Company shall prepare and mail a notice (the "Member Notice") to every Member that did not execute the Written Consent. The Member Notice shall (i) be a statement to the effect that the Company Board unanimously determined that the Merger is advisable and in the best interests of the Members and unanimously approved and adopted this Agreement, the Merger and the other transactions contemplated hereby and (ii) provide the Members to whom it is sent with notice of the actions taken in the Written Consent, and the approval and adoption of this Agreement, the Merger and the other transactions contemplated hereby in accordance with Section 7-90-203.4. of the Act and the Charter Documents of the Company. All materials submitted to the Members in accordance with this Section 5.05(b) shall be subject to Parent's advance review and reasonable approval.

Section 5.06 No Control of the Other Party's Business. The parties hereto acknowledge and agree that the restrictions set forth in this Agreement are not intended to give Parent or Merger Sub, on the one hand, or the Company, on the other hand, directly or indirectly, the right to control or direct the business or operations of the other at any time prior to the Effective Time. Prior to the Effective Time, each of Parent and the Company will exercise, consistent with the terms, conditions and restrictions of this Agreement, complete control and supervision over their own business and operations.

Section 5.07 Parent Domestication. Following receipt of the Requisite Parent Vote and the Revised Company Financial Statements, prior to the Effective Time, Parent shall cause the Parent Domestication to become effective by way of a plan of arrangement pursuant to section 193 of the *Business Corporations Act* (Alberta), including by (a) filing with the Delaware Secretary of State a Certificate of Domestication with respect to the Parent Domestication (or an equivalent certificate with the applicable Governmental Authority for a Parent Domestication in a jurisdiction other than Delaware), in form and substance reasonably acceptable to Parent and the Company, together with the Certificate of Incorporation (or equivalent Charter Document for a Parent Domestication in a jurisdiction other than Delaware) of Parent in form and substance reasonably acceptable to Parent and the Company, in each case, in accordance with the provisions thereof and applicable Law and (b) completing and making and procuring all those filings required to be made with the Alberta Corporate Registry, the Securities Authorities and the CSE in connection with the Parent Domestication. In accordance with applicable Law, the Parent Domestication shall provide that at the effective time of the Parent Domestication, (i) each then issued and outstanding share of Parent Common Stock shall convert automatically, on a one-for-one basis, into a share of domesticated Parent Common Stock, (ii) each issued and outstanding Parent Stock Option shall convert automatically into options representing the right to

acquire domesticated Parent Common Stock and (iii) each then issued and outstanding Parent Warrant shall convert automatically into warrants representing the right to acquire domesticated Parent Common Stock.

Section 5.08 Parent Stockholders Meeting; Approval by Sole Member of Merger Sub.

(a) Parent shall take all action necessary to duly call, give notice of, convene, and hold the Parent Stockholders Meeting as soon as reasonably practicable after the Proxy Statement is approved by the CSE, Parent shall mail or provide access through notice and access to the Proxy Statement to the holders of Parent Common Stock in advance of the Parent Stockholders Meeting. Except to the extent that the Parent Board shall have effected a Parent Adverse Recommendation Change, the Proxy Statement shall include the Parent Board Recommendation. Parent shall use reasonable best efforts to: (i) solicit from the holders of Parent Common Stock proxies in favor of the approval of the Merger; and (ii) take all other actions necessary or advisable to secure the vote or consent of the holders of Parent Common Stock required by applicable Law to obtain such approval. Parent shall keep the Company updated with respect to proxy solicitation results as requested by the Company. Once the Parent Stockholders Meeting has been called and noticed, Parent shall not postpone or adjourn the Parent Stockholders Meeting without the consent of Company (other than: (A) in order to obtain a quorum of its stockholders; or (B) as reasonably determined by Parent to comply with applicable Law). If the Parent Board makes a Parent Adverse Recommendation Change, it will not alter the obligation of Parent to submit the Merger approval to the holders of Parent Common Stock at the Parent Stockholders Meeting to consider and vote upon, unless this Agreement shall have been terminated in accordance with its terms prior to the Parent Stockholders Meeting.

(b) In connection with the Parent Stockholders Meeting, as soon as reasonably practicable following the date of this Agreement and receipt by Parent of Financial Statements of the Company in a form that meets the requirements of the CSE and Securities Authorities for inclusion in the Proxy Statement, the Company and the Parent shall prepare and file with the CSE and Securities Authorities the Proxy Statement. Parent and the Company shall furnish to the other party all information concerning such Person and its Affiliates required by applicable Law to be set forth in the Proxy Statement. Each of Parent and the Company shall promptly correct any information provided by it for use in the Proxy Statement if and to the extent that such information shall have become false or misleading in any material respect. Parent shall use reasonable efforts to (A) cause the Proxy Statement to be filed with the CSE for review as promptly as practicable, (B) once approved by the CSE, cause the Proxy Statement to be mailed or made available through notice and access to the Parent's stockholders as promptly as practicable, (C) ensure that the Proxy Statement complies in all material respects with the applicable provisions of applicable Laws. Parent shall promptly provide the Company and its counsel with any comments or other communications, whether written or oral, that Parent or its counsel may receive from the Securities Authorities or the CSE with respect to the Proxy Statement promptly after receipt of such comments. Prior to the filing of the Proxy Statement with the Securities Authorities (including any amendment or supplement thereto, except with respect to any amendments filed in connection with a Parent Adverse Recommendation Change) or the dissemination thereof to holders of Parent Common Stock, or responding to any comments of the Securities Authorities or CSE with respect to the Proxy Statement, Parent shall provide the Company and its counsel a reasonable opportunity to review and comment on such Proxy

Statement or response (including the proposed final version thereof) and Parent shall give reasonable and good faith consideration to any comments made by the Company or its counsel.

(c) Immediately following the execution and delivery of this Agreement, Parent, as sole member of Merger Sub, shall adopt this Agreement and approve the Merger, in accordance with the Act.

Section 5.09 Notice of Certain Events.

(a) From the date hereof until the Closing, the Company shall promptly notify Parent in writing of:

(i) any fact, circumstance, event or action the existence, occurrence or taking of which (A) has had, or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, (B) has resulted in, or could reasonably be expected to result in, any representation or warranty made by the Company hereunder not being true and correct or (C) has resulted in, or could reasonably be expected to result in, the failure of any of the conditions set forth in Section 6.02 to be satisfied;

(ii) any notice or other communication from any Person alleging that the consent of such Person is or may be required in connection with the transactions contemplated by this Agreement;

(iii) any notice or other communication from any Governmental Authority in connection with the transactions contemplated by this Agreement; and

(iv) any Actions commenced or, to the Company's Knowledge, threatened against, relating to or involving or otherwise affecting the Company Group that, if pending on the date of this Agreement, would have been required to have been disclosed pursuant to Section 3.17 or that relates to the consummation of the transactions contemplated by this Agreement.

(b) Parent's receipt of information pursuant to this Section 5.09 shall not operate as a waiver or otherwise affect any representation, warranty or agreement given or made by the Company in this Agreement and shall not be deemed to amend or supplement the Company Disclosure Letter.

Section 5.10 Reserved.

Section 5.11 Directors' and Officers' Indemnification and Insurance.

(a) Parent and Merger Sub agree that all rights to indemnification, advancement of expenses, and exculpation by the Company now existing in favor of each Person who is now, or has been at any time prior to the date hereof or who becomes prior to the Effective Time an officer, manager, or director of the Company or any of its Subsidiaries (each a "Company Indemnified Party") as provided in the Charter Documents of the Company, in each case as in effect on the date of this Agreement, or pursuant to any other Contracts in effect on the date hereof and disclosed in Section 5.11 of the Company Disclosure Letter, shall be assumed by

the Surviving Company in the Merger, without further action, at the Effective Time and shall survive the Merger and shall remain in full force and effect in accordance with their terms. For a period of six years from the Effective Time, the Surviving Company shall, and Parent shall cause the Surviving Company to, maintain in effect the exculpation, indemnification, and advancement of expenses equivalent to the provisions of the Charter Documents of the Company as in effect immediately prior to the Effective Time with respect to acts or omissions by any Company Indemnified Party occurring prior to the Effective Time, and shall not amend, repeal, or otherwise modify any such provisions in any manner that would adversely affect the rights thereunder of any Company Indemnified Party; provided that all rights to indemnification in respect of any claim made for indemnification within such period shall continue until the disposition of such action or resolution of such claim.

(b) The Surviving Company shall, and Parent shall cause the Surviving Company to: (i) obtain as of the Effective Time "tail" insurance policies with a claims period of six years from the Effective Time with at least the same coverage and amounts and containing terms and conditions that are not less advantageous to the Company Indemnified Parties, in each case with respect to claims arising out of or relating to events that occurred before or at the Effective Time (including in connection with the transactions contemplated by this Agreement).

(c) The obligations of Parent, Merger Sub, and the Surviving Company under this Section 5.11 shall survive the consummation of the Merger and shall not be terminated or modified in such a manner as to adversely affect any Company Indemnified Party to whom this Section 5.11 applies without the consent of such affected Company Indemnified Party (it being expressly agreed that the Company Indemnified Parties to whom this Section 5.11 applies shall be third party beneficiaries of this Section 5.11, each of whom may enforce the provisions of this Section 5.11).

(d) In the event Parent, the Surviving Company, or any of their respective successors or assigns: (i) consolidates with or merges into any other Person and shall not be the continuing or surviving entity in such consolidation or merger; or (ii) transfers all or substantially all of its properties and assets to any Person, then, and in either such case, proper provision shall be made so that the successors and assigns of Parent or the Surviving Company, as the case may be, shall assume all of the obligations set forth in this Section 5.11. The agreements and covenants contained herein shall not be deemed to be exclusive of any other rights to which any Company Indemnified Party is entitled, whether pursuant to Law, Contract, or otherwise. Nothing in this Agreement is intended to, shall be construed to, or shall release, waive, or impair any rights to directors' and officers' insurance claims under any policy that is or has been in existence with respect to the Company or its officers, directors, and employees, it being understood and agreed that the indemnification provided for in this Section 5.11 is not prior to, or in substitution for, any such claims under any such policies.

Section 5.12 Reasonable Best Efforts.

(a) Upon the terms and subject to the conditions set forth in this Agreement (including those contained in this Section 5.12), each of the parties hereto shall, and shall cause its Subsidiaries to, use its reasonable best efforts to take, or cause to be taken, all actions, and to do, or cause to be done, and to assist and cooperate with the other parties in doing, all things

necessary, proper, or advisable to consummate and make effective, and to satisfy all conditions to, in the most expeditious manner practicable, the transactions contemplated by this Agreement, including: (i) the obtaining of all necessary Permits, waivers, and actions or nonactions from Governmental Authorities and the making of all necessary registrations and filings (including filings with Governmental Authorities) and the taking of all steps as may be necessary to obtain an approval or waiver from, or to avoid an action or proceeding by, any Governmental Authorities; (ii) the obtaining of all necessary consents or waivers from third parties; and (iii) the execution and delivery of any additional instruments necessary to consummate the Merger and to fully carry out the purposes of this Agreement. The Company and Parent shall, subject to applicable Law, promptly: (A) cooperate and coordinate with the other in the taking of the actions contemplated by clauses (i), (ii), and (iii) immediately above; and (B) supply the other with any information that may be reasonably required in order to effectuate the taking of such actions. Each party hereto shall promptly inform the other party or parties hereto, as the case may be, of any communication from any Governmental Authority regarding any of the transactions contemplated by this Agreement. If the Company, on the one hand, or Parent or Merger Sub, on the other hand, receives a request for additional information or documentary material from any Governmental Authority with respect to the transactions contemplated by this Agreement, then it shall use reasonable best efforts to make, or cause to be made, as soon as reasonably practicable and after consultation with the other party, an appropriate response in compliance with such request, and, if permitted by applicable Law and by any applicable Governmental Authority, provide the other party's counsel with advance notice and the opportunity to attend and participate in any meeting with any Governmental Authority in respect of any filing made thereto in connection with the transactions contemplated by this Agreement. Neither Parent nor the Company shall commit to or agree (or permit any of their respective Subsidiaries to commit to or agree) with any Governmental Authority to stay, toll, or extend any applicable waiting period under the HSR Act or other applicable antitrust Laws, without the prior written consent of the other (such consent not to be unreasonably withheld, conditioned, or delayed).

(b) Without limiting the generality of the undertakings pursuant to Section 5.12(a), the parties hereto shall: (i) provide or cause to be provided as promptly as reasonably practicable to Governmental Authorities with jurisdiction over the antitrust Laws (each such Governmental Authority, a "Governmental Antitrust Authority") information and documents requested by any Governmental Antitrust Authority as necessary, proper, or advisable to permit consummation of the transactions contemplated by this Agreement, including preparing and filing any notification and report form and related material required under the HSR Act and any additional consents and filings under any other antitrust Laws as promptly as practicable following the date of this Agreement (provided that, in the case of the filing under the HSR Act, such filing shall be made within ten Business Days of the date of this Agreement) and thereafter to respond as promptly as practicable to any request for additional information or documentary material that may be made under the HSR Act or any other applicable antitrust Laws; and (ii) subject to the terms set forth in Section 5.12(c), use their reasonable best efforts to take such actions as are necessary or advisable to obtain prompt approval of the consummation of the transactions contemplated by this Agreement by any Governmental Authority or expiration of applicable waiting periods.

(c) In the event that any administrative or judicial action or proceeding is instituted (or threatened to be instituted) by a Governmental Authority or private party challenging the Merger or any other transaction contemplated by this Agreement, or any other agreement contemplated hereby, the Company shall cooperate in all respects with Parent and Merger Sub and shall use its reasonable best efforts to contest and resist any such action or proceeding and to have vacated, lifted, reversed, or overturned any Order, whether temporary, preliminary, or permanent, that is in effect and that prohibits, prevents, or restricts consummation of the transactions contemplated by this Agreement. Notwithstanding anything in this Agreement to the contrary, none of Parent, Merger Sub, or any of their respective Affiliates shall be required to defend, contest, or resist any action or proceeding, whether judicial or administrative, or to take any action to have vacated, lifted, reversed, or overturned any Order, in connection with the transactions contemplated by this Agreement.

(d) Notwithstanding anything to the contrary set forth in this Agreement (other than as set forth in Section 6.03(e)), none of Parent, Merger Sub, or any of their respective Subsidiaries shall be required to, and the Company may not, without the prior written consent of Parent, become subject to, consent to, or offer or agree to, or otherwise take any action with respect to, any requirement, condition, limitation, understanding, agreement, or order to: (i) sell, license, assign, transfer, divest, hold separate, or otherwise dispose of any assets, business, or portion of business of the Company Group, the Surviving Company, Parent, Merger Sub, or any of their respective Subsidiaries; (ii) conduct, restrict, operate, invest, or otherwise change the assets, business, or portion of business of the Company, the Surviving Company, Parent, Merger Sub, or any of their respective Subsidiaries in any manner; or (iii) impose any restriction, requirement, or limitation on the operation of the business or portion of the business of the Company, the Surviving Company, Parent, Merger Sub, or any of their respective Subsidiaries; provided that, if requested by Parent, the Company will become subject to, consent to, or offer or agree to, or otherwise take any action with respect to, any such requirement, condition, limitation, understanding, agreement, or order so long as such requirement, condition, limitation, understanding, agreement, or order is only binding on the Company in the event the Closing occurs.

(e) Following the expiration or termination of the waiting period applicable to the consummation of the Merger under the HSR Act, and the filing of all required filings and receipt of all required approvals (or expiration or termination of all applicable waiting periods) under applicable antitrust Laws, Parent shall, upon request of the Company, use commercially reasonable efforts to cause its officers to support and advise the Company's management and to assist and advise the Company with the operation of the Company's business.

Section 5.13 Public Announcements. The initial press release with respect to this Agreement and the transactions contemplated hereby shall be a release mutually agreed to by the Company and Parent. Thereafter, each of the Company, Parent, and Merger Sub agrees that no public release or announcement concerning the transactions contemplated hereby shall be issued by any party without the prior written consent of the Company and Parent (which consent shall not be unreasonably withheld, conditioned, or delayed), except as may be required by applicable Law or the rules or regulations of any applicable securities exchange or other Governmental Authority to which the relevant party is subject or submits, in which case the party required to make the release or announcement shall use its reasonable best efforts to allow the other party

reasonable time to comment on such release or announcement in advance of such issuance. Notwithstanding the foregoing, the restrictions set forth in this Section 5.13 shall not apply to any release or announcement made or proposed to be made in connection with and related to a Parent Adverse Recommendation Change.

Section 5.14 Anti-Takeover Statutes. If any "control share acquisition," "fair price," "moratorium," or other anti-takeover Law becomes or is deemed to be applicable to Parent, the Merger Sub, the Company, the Merger, or any other transaction contemplated by this Agreement, then each of the Company and the Company Board on the one hand, and Parent and the Parent Board on the other hand, shall grant such approvals and take such actions as are necessary so that the transactions contemplated hereby may be consummated as promptly as practicable on the terms contemplated hereby and otherwise act to render such anti-takeover Law inapplicable to the foregoing.

Section 5.15 Stock Exchange Matters. Parent and the Company acknowledge that the Merger will be a "fundamental change" of Parent under Policy 8 of the CSE and accordingly will be required to, among other things, meet the criteria for a new listing on the CSE. Each of Parent and the Company shall use its reasonable best efforts to take, or cause to be taken, all actions, and to do, or cause to be done, and to assist and cooperate with the other parties in doing, all things necessary, proper, or advisable to cause the shares of Parent Common Stock to be issued in connection with the Merger to be approved for listing on the CSE (or such other stock exchange as may be mutually agreed upon by the Company and Parent) prior to the Effective Time.

Section 5.16 Company Convertible Securities. Prior to the Closing Date, the Company shall repay, convert, accelerate, cancel or vest, as applicable, all Company Convertible Securities.

Section 5.17 Obligations of Merger Sub. Parent will take all action necessary to cause Merger Sub to perform its obligations under this Agreement and to consummate the Merger on the terms and conditions set forth in this Agreement.

Section 5.18 Further Assurances. At and after the Effective Time, the officers and managers of the Surviving Company shall be authorized to execute and deliver, in the name and on behalf of the Company or Merger Sub, any deeds, bills of sale, assignments, or assurances and to take and do, in the name and on behalf of the Company or Merger Sub, any other actions and things to vest, perfect, or confirm of record or otherwise in the Surviving Company any and all right, title, and interest in, to and under any of the rights, properties, or assets of the Company acquired or to be acquired by the Surviving Company as a result of, or in connection with, the Merger.

ARTICLE VI
CONDITIONS TO CLOSING

Section 6.01 Conditions to Obligations of All Parties. The obligations of each party to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment, at or prior to the Closing, of each of the following conditions:

(a) This Agreement will have been duly adopted by the Requisite Company Vote.

(b) The Merger and the Parent Domestication will have been approved by the Requisite Parent Vote.

(c) The Parent Domestication shall have been completed as provided in Section 5.07.

(d) The waiting period applicable to the consummation of the Merger under the HSR Act (or any extension thereof) shall have expired or been terminated and all required filings shall have been made and all required approvals obtained (or waiting periods expired or terminated) under applicable antitrust Laws.

(e) No Action shall have been commenced and remain outstanding against Parent, Merger Sub, or the Company that would prevent the Closing, provided, however, that if such Action can be settled solely through the payment of a non-material amount of cash, then the Company may, in its discretion, pay such amount of cash in settlement of such Action, and such settled Action shall be deemed waived for purposes of this Section 6.01(e). No injunction or restraining order shall have been issued by any Governmental Authority, and be in effect, that restrains or prohibits any transaction contemplated hereby.

(f) No Governmental Authority having jurisdiction over any party hereto shall have enacted, issued, promulgated, enforced, or entered any Laws or Governmental Orders, whether temporary, preliminary, or permanent, that make illegal, enjoin, or otherwise prohibit consummation of the Merger, the Parent Stock Issuance, or the other transactions contemplated by this Agreement.

(g) the CSE shall have conditionally approved the Merger, the Parent Domestication and the listing of the stock issued pursuant to the Parent Stock Issuance on the CSE.

(h) All consents, approvals and other authorizations of any Governmental Authority set forth in Section 6.01 of the Company Disclosure Letter and required to consummate the Merger, the Parent Stock Issuance, and the other transactions contemplated by this Agreement (other than the filing of the Statement of Merger with the Colorado Secretary of State) shall have been obtained, free of any condition that would reasonably be expected to have a Material Adverse Effect or Parent Material Adverse Effect.

Section 6.02 Conditions to Obligations of Parent and Merger Sub. The obligations of Parent and Merger Sub to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment or Parent's waiver, at or prior to the Closing, of each of the following conditions:

(a) Other than the Fundamental Representations, the representations and warranties of the Company contained in this Agreement and any certificate or other writing delivered pursuant hereto shall be true and correct in all respects (in the case of any representation or warranty qualified by materiality or Material Adverse Effect) or in all material

respects (in the case of any representation or warranty not qualified by materiality or Material Adverse Effect) on and as of the date hereof and on and as of the Closing Date with the same effect as though made at and as of such date (except those representations and warranties that address matters only as of a specified date, the accuracy of which shall be determined as of that specified date in all respects), except, in each case, where the failure of such representations and warranties to be true and correct would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. The Fundamental Representations shall be true and correct in all material respects when made and as of immediately prior to the Effective Time, as if made at and as of such time (except those representations and warranties that address matters only as of a particular date, which shall be true and correct in all material respects as of that date), or to the extent such Fundamental Representations are not true and correct in all material respects, the Company shall have cured such failure to be true and correct in all material respects.

(b) The Company shall have duly performed and complied in all material respects with all agreements, covenants and conditions required by this Agreement to be performed or complied with by it prior to or on the Closing Date; provided that, with respect to agreements, covenants and conditions that are qualified by materiality, the Company shall have performed such agreements, covenants and conditions, as so qualified, in all respects.

(c) From the date of this Agreement, there shall not have occurred any Material Adverse Effect, nor shall any event or events have occurred that, individually or in the aggregate, with or without the lapse of time, could reasonably be expected to result in a Material Adverse Effect.

(d) Parent will have received a certificate, signed by the chief executive officer or chief financial officer of the Company, certifying as to the matters set forth in Section 6.02(a), Section 6.02(b), and Section 6.02(c).

(e) The Company providing to Parent certifications in form and substance reasonable acceptable to Parent pursuant to (i) Proposed Treasury Regulations Section 1.1446(f)-2(c)(2)(ii), with such certification intended to apply with respect to the determination of the amount of Section 1446(f) withholding required with respect to the Members, and (ii) Treasury Regulations Sections 1.897-2(h) and 1.1445-2(c)(3) dated no more than 30 days prior to the Closing Date and signed by an officer of the Company, certifying that interests in the Company, including interest in the Company Common Units, do not constitute "United States real property interests" under Section 897(c) of the Code and the Company shall have provided notice to the IRS in accordance with the provisions of Treasury Regulations Section 1.897-2(h)(2).

(f) All approvals, consents and waivers that are listed on Section 3.03(a) of the Company Disclosure Letter shall have been received, and executed counterparts thereof shall have been delivered to Parent at or prior to the Closing.

(g) The Company shall have satisfied its obligations set forth in Section 5.16.

(h) Parent shall have received, in a form and substance reasonably acceptable to Parent, (i) consolidated audited financial statements consisting of the balance sheet of the

Company as at December 31, 2017 and 2018 and the related statements of income and retained earnings, stockholders' equity and cash flow for the years then ended, in each case prepared in accordance with IFRS and in a form that complies with applicable Law for inclusion in the Proxy Statement (the "Audited Financial Statements") and (ii) the consolidated reviewed financial statements consisting of the balance sheet of the Company as at September 30, 2019 and the related statements of income and retained earnings, stockholders' equity and cash flow for the Company nine-month period then ended, in each case prepared in accordance with IFRS and in a form that complies with applicable Law for inclusion in the Proxy Statement (the "Reviewed Interim Financial Statements" and together with the Audited Financial Statements, the "Revised Company Financial Statements"), and the EBIT presented in the Audited Financial Statements shall not be less than 85% of the EBIT presented in the Year-End Financial Statements for the two year period beginning on January 1, 2017 and ended December 31, 2018, and the EBIT presented in the Reviewed Interim Financial Statements shall not be less than 85% of the EBIT presented in the Interim Financial Statements for the nine-month period then ended.

(i) Except as otherwise specified by Parent, each of the Company and its Subsidiaries respective directors and officers immediately prior to the Closing shall execute and deliver a resignation effective as of the Closing.

(j) The Company shall have received and delivered to Parent, payoff letter(s) with respect to the payment of the Indebtedness listed on Section 3.04(g) of the Company Disclosure Letter and the release of all Encumbrances related thereto.

Section 6.03 Conditions to Obligations of the Company. The obligations of the Company to consummate the transactions contemplated by this Agreement shall be subject to the fulfillment or the Company's waiver, at or prior to the Closing, of each of the following conditions:

(a) (i) Other than the representations and warranties of Parent and Merger Sub contained in Section 4.01(a), Section 4.02, Section 4.03(a), Section 4.03(b)(i), Section 4.03(d), Section 4.08, and Section 4.10, the representations and warranties of Parent and Merger Sub contained in this Agreement and any certificate or other writing delivered pursuant hereto shall be true and correct in all respects (in the case of any representation or warranty qualified by materiality or Parent Material Adverse Effect) or in all material respects (in the case of any representation or warranty not qualified by materiality or Parent Material Adverse Effect) on and as of the date hereof and on and as of the Closing Date with the same effect as though made at and as of such date (except those representations and warranties that address matters only as of a specified date, the accuracy of which shall be determined as of that specified date in all respects), except, in each case, where the failure of such representations and warranties to be true and correct would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect; (ii) the representations and warranties of Parent and Merger Sub contained in Section 4.02 will be true and correct (other than *de minimis* inaccuracies) when made and as of immediately prior to the Effective Time, as if made at and as of such time (except those representations and warranties that address matters only as of a particular date, which shall be true and correct in all material respects as of that date); and (iii) the representations and warranties contained in Section 4.01(a), Section 4.03(a), Section 4.03(b)(i), Section 4.03(d), Section 4.08, and Section 4.10 shall be true and correct in all respects when made and as of

immediately prior to the Effective Time, as if made at and as of such time (except those representations and warranties that address matters only as of a particular date, which shall be true and correct in all respects as of that date).

(b) Parent and Merger Sub shall have duly performed and complied in all material respects with all agreements, covenants and conditions required by this Agreement to be performed or complied with by them prior to or on the Closing Date; provided, that, with respect to agreements, covenants and conditions that are qualified by materiality, Parent and Merger Sub shall have performed such agreements, covenants and conditions, as so qualified, in all respects.

(c) Since the date of this Agreement, there shall not have been any Parent Material Adverse Effect or any event, change, or effect that would, individually or in the aggregate, reasonably be expected to have a Parent Material Adverse Effect.

(d) The Company will have received a certificate, signed by an officer of Parent, certifying as to the matters set forth in Section 6.03(a), Section 6.03(b), and Section 6.03(c).

(e) Parent shall have consummated the sale, transfer or disposition of the Specified Assets under terms reasonably satisfactory to the Company.

(f) As of the Closing Date, none of the Parent, Company or any other Subsidiary of Parent will be, or will be required to be, registered as an investment company under the Investment Company Act of 1940.

(g) Parent shall have delivered, or caused to be delivered, the Key Shareholder Lockup Agreement to the Specified Members.

ARTICLE VII
INDEMNIFICATION

Section 7.01 Survival. Subject to the limitations and other provisions of this Agreement, the representations and warranties contained in Article III shall survive the Closing and shall remain in full force and effect until the date that is 18 months from the Closing Date; provided that the representations and warranties in (a) Section 3.01, Section 3.02(a), Section 3.04, and Section 3.25 shall survive indefinitely, (b) Section 3.19 shall survive for a period of five years after the Closing, and (c) Section 3.20 and Section 3.22 shall survive for the full period of all applicable statutes of limitations (giving effect to any waiver, mitigation or extension thereof) plus 60 days. All covenants and agreements of the parties contained herein shall survive the Closing indefinitely or for the period explicitly specified therein. 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.

Section 7.02 Indemnification. Subject to the other terms and conditions of this Article VII, the Members, severally and not jointly and not jointly and severally (in accordance

with their Pro Rata Shares), shall indemnify and defend each of Parent and its Affiliates (including the Company) and their respective Representatives (collectively, the "Parent Indemnitees") against, and shall hold each of them harmless from and against, and shall pay and reimburse each of them for, any and all Losses incurred or sustained by, or imposed upon, the Parent Indemnitees based upon, arising out of, with respect to or by reason of:

(a) any inaccuracy in or breach of any of the representations or warranties of the Company contained in this Agreement or in any certificate or instrument delivered by or on behalf of the Company pursuant to this Agreement, as of the date such representation or warranty was made or as if such representation or warranty was made on and as of the Closing Date (except for representations and warranties that expressly relate to a specified date, the inaccuracy in or breach of which will be determined with reference to such specified date);

(b) any breach or non-fulfillment of any covenant, agreement or obligation to be performed by the Company pursuant to this Agreement;

(c) any claim made by any Member relating to such Person's rights with respect to the information set forth on the Consideration Spreadsheet;

(d) any Pre-Closing Taxes or Taxes resulting from the transactions entered into under this Agreement of the Company or any of the Members; or

(e) any Transaction Expenses or Indebtedness of the Company outstanding as of the Closing to the extent not paid or satisfied by the Company at or prior to the Closing.

Section 7.03 Certain Limitations. Notwithstanding anything to the contrary contained in this Agreement, the indemnification provided for in Section 7.02 shall be subject to the following limitations:

(a) Members shall not be liable to the Parent Indemnitees for indemnification under Section 7.02 until the aggregate amount of all Losses in respect of indemnification under Section 7.02 exceeds $3,750,000 (the "Deductible"), in which event Members shall be required to pay or be liable for all such Losses in excess of the Deductible, provided, however, that the foregoing limitation shall not apply to Losses caused by fraud;

(b) Members shall not be liable for any individual or series of related Losses which do not exceed $100,000 (which Losses shall not be counted toward the Deductible);

(c) In no event shall the Members' aggregate liability for Losses pursuant to Section 7.02 exceed, in the aggregate, the value of the Escrowed Shares calculated at the time of each Loss using the volume weighted average closing price per share of common stock of Parent on the CSE for the 10 consecutive trading days ending two Business Days prior to the date on which such Loss is finally determined, provided, however, that the foregoing limitation shall not apply to Losses caused by (i) a breach of any Fundamental Representation or (ii) fraud;

(d) In no event shall the Members' aggregate liability for Losses caused by a breach of any of the Fundamental Representation exceed, in the aggregate, the lesser of (i) $94,000,000 and (ii) (A) the value of the Escrowed Shares calculated at the time of each Loss

using the volume weighted average closing price per share of common stock of Parent on the CSE for the 10 consecutive trading days ending two Business Days prior to the date on which such Loss is finally determined plus (B) $70,000,000 (the "Cap"); and

(e) In no event shall a Member be liable for any Losses resulting from a breach of a representation, warranty or covenant if Parent or its Subsidiaries had Knowledge at any time on or prior to the Closing of the facts, events or conditions constituting or resulting in such breach of such representation, warranty or covenant.

Section 7.04 Indemnification Procedures. The party making a claim under this Article VII is referred to as the "Indemnified Party," and the party against whom such claims are asserted under this Article VII is referred to as the "Indemnifying Party." For purposes of this Article VII, any references to Indemnifying Party (except provisions relating to an obligation to make payments) shall be deemed to refer to Member Representative.

(a) Third Party Claims. If any Indemnified Party receives notice of the assertion or commencement of any Action 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 30 calendar 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. In the event that the Indemnifying Party assumes the defense of any Third Party Claim, subject to Section 7.04(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, provided that in the event the Indemnified Party determines that it is reasonably likely that the Losses for any Third Party Claim will exceed the Cap, then the Indemnifying Party and the Indemnified Party shall cooperate in good faith with each other in all reasonable respects in connection with the defense of such Third Party Claim, including making available records relating to such Third Party Claim and furnishing, without expense management employees of each respective party as may be reasonably necessary for the preparation of the defense of such Third-Party Claim. The Indemnified Party shall have the right to observe the defense of any Third Party Claim and the Indemnifying Party shall (i) provide the Indemnified Party with regular updates with respect to the status of any such Third Party Claim and (ii) make available records relating to such Third Party Claim to the Indemnified Party (other than records subject to attorney-client privilege). 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 7.04(b), pay, compromise, defend such Third Party Claim and seek indemnification for any and all Losses based upon, arising from or relating to such Third Party Claim.

(b) Settlement of Third Party Claims. Notwithstanding any other provision of this Agreement, the Indemnifying Party shall have full authority to settle any Third Party Claim, provided, that such settlement does not lead to liability or the creation of a material 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, provided, further that in the event the Indemnified Party determines that it is reasonably likely that the Losses for any Third Party Claim will exceed the Cap, then the Indemnifying Party shall cooperate in good faith with the Indemnified Party in connection with any potential settlement. The Indemnifying Party shall not enter into settlement of any Third-Party Claim that does not meet the requirements of the immediately preceding sentence of this Section 7.04(b) without the prior written consent of the Indemnified Party (which consent shall not be unreasonably withheld or delayed).

(c) Direct Claims. Any Action by an Indemnified Party on account of a Loss that 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 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 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. If the Indemnifying Party does not so respond within such 30-day period, the Indemnifying Party shall be deemed to have rejected 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 7.05 Payments.

(a) Subject to Section 7.05(b), once a Loss is agreed to by the Indemnifying Party or finally adjudicated to be payable pursuant to this Article VII, 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 hereto 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 to, but excluding, the date such payment has been made at a rate per annum equal to 8%. Such interest shall be calculated daily on the basis of a 365/366-day year and the actual number of days elapsed, without compounding. Any Losses payable to a Parent Indemnitee pursuant to Article VII shall be satisfied from the Members severally and not jointly and not jointly and severally (in accordance with their Pro Rata Shares).

(b) Notwithstanding anything in this Agreement to the contrary, the parties agree that, except for Losses caused by (i) a breach of any of the Fundamental Representations or (ii) fraud, the Parent Indemnitees' sole source for collection from the Members of amounts in respect of Losses under any indemnification claim pursuant to Section 7.02 shall be retention and cancellation by Parent of a portion of the Escrowed Shares equal to such Losses, with any such cancelled Escrowed Shares having a deemed per-share value equal to the volume weighted average closing price per share of common stock of Parent on the CSE for the 10 consecutive trading days ending two Business Days prior to the date on which such Losses are finally determined, whether by written agreement of the applicable parties or by court award; provided, however, that in order to preserve its recourse to the Escrowed Shares while any indemnification claim under Section 7.02 is pending, Parent may suspend the release from escrow of (but not retain or cancel) that number of Escrowed Shares representing at such time the applicable Parent Indemnitees' reasonable estimate of the Losses under such indemnification claim. In the case of any retention and cancellation by Parent of a portion of the Escrowed Shares pursuant to Section 7.05(b), Parent shall give the Member Representative at least 10 days' prior written notice of such cancellation. During such 10-day period, at the Specified Members' election, the Specified Members may pay all or any part of the Losses amount to Parent by cashier's check or wire transfer of immediately available funds; and in such event, Parent shall not retain and cancel that number of Escrowed Shares having the value (as determined in the manner described above) of such cash payment.

(c) The parties agree that, with respect to Losses caused by a breach of any of the Fundamental Representations, any payments the Members are required to make to any Parent Indemnitee in respect of such Losses under this Article VII shall be subject to Section 7.03(d) and settled (i) first, by retention and cancellation by Parent of all or a portion of the Escrowed Shares equal to such Losses, with any such cancelled Escrowed Shares having a deemed per-share value equal to the volume weighted average closing price per share of common stock of Parent on the CSE for the 10 consecutive trading days ending two Business Days prior to the date on which such Losses are finally determined, whether by written agreement of the applicable parties or by court award and (ii) second, to the extent the balance of the Escrowed Shares are insufficient to pay any remaining sums due to Parent with respect to such Losses, then by transfer and surrender by the Members to Parent of a number of Parent Common Stock (having a deemed per-share value equal to the volume weighted average closing price per share of common stock of Parent on the CSE for the 10 consecutive trading days ending two Business Days prior to the date on which such Losses are finally determined) held by such Member equal to such Member's Pro Rata Share of the remaining sums due, provided, that to the extent the Member no longer holds Parent Common Stock, or holds a number of Parent Common Stock that are insufficient to satisfy such Member's Pro Rata Share of the remaining sums due to Parent with respect to such Losses, then such Member shall be required to pay to Parent such amounts in cash or other immediately available funds.

Section 7.06 Tax Treatment of Indemnification Payments. All indemnification payments made under this Agreement shall be treated by the parties as an adjustment to the Merger Consideration for Tax purposes, unless otherwise required by Law.

Section 7.07 Reserved.

Section 7.08 Exclusive Remedies. Subject to Section 9.12, the parties acknowledge and agree that their sole and exclusive remedy with respect to any and all claims (other than claims arising from fraud, criminal activity or willful misconduct on the part of a party hereto in connection with the transactions contemplated by this Agreement) for any breach of any representation, warranty, covenant, agreement or obligation set forth herein or otherwise relating to the subject matter of this Agreement, shall be pursuant to the indemnification provisions set forth in this Article VII. In furtherance of the foregoing, each party hereby waives, to the fullest extent permitted under Law, any and all rights, claims and causes of action for any breach of any representation, warranty, covenant, agreement or obligation set forth herein or otherwise relating to the subject matter of this Agreement it may have against the other parties hereto and their Affiliates and each of their respective Representatives arising under or based upon any Law, except pursuant to the indemnification provisions set forth in this Article VII. Nothing in this Section 7.08 shall limit any Person's right to seek and obtain any equitable relief to which any Person shall be entitled or to seek any remedy on account of any party's fraudulent, criminal or intentional misconduct.

ARTICLE VIII
TERMINATION, AMENDMENT, AND WAIVER

Section 8.01 Termination by Mutual Consent. This Agreement may be terminated at any time prior to the Effective Time (whether before or after the receipt of the Requisite Company Vote or the Requisite Parent Vote) by the mutual written consent of Parent and the Company.

Section 8.02 Termination by Either Parent or the Company. This Agreement may be terminated by either Parent or the Company at any time prior to the Effective Time (whether before or after the receipt of the Requisite Company Vote or the Requisite Parent Vote):

(a) if the Merger has not been consummated on or before July 10, 2020 (the "End Date"); provided, however, that the right to terminate this Agreement pursuant to this Section 8.02(a) shall not be available to any party whose breach of any representation, warranty, covenant, or agreement set forth in this Agreement has been the cause of, or resulted in, the failure of the Merger to be consummated on or before the End Date;

(b) if any Governmental Authority of competent jurisdiction shall have enacted, issued, promulgated, enforced, or entered any Law or Governmental Order making illegal, permanently enjoining, or otherwise permanently prohibiting the consummation of the Merger, the Parent Stock Issuance, or the other transactions contemplated by this Agreement, and such Law or Governmental Order shall have become final and nonappealable; provided, however, that the right to terminate this Agreement pursuant to this Section 8.02(b) shall not be available to any party whose breach of any representation, warranty, covenant, or agreement set

forth in this Agreement has been the cause of, or resulted in, the issuance, promulgation, enforcement, or entry of any such Law or Governmental Order; or

(c) if the Merger has been submitted to the stockholders of Parent for approval at a duly convened Parent Stockholders Meeting and the Requisite Parent Vote shall not have been obtained at such meeting (unless such Parent Stockholders Meeting has been adjourned or postponed, in which case at the final adjournment or postponement thereof).

Section 8.03 Termination by Parent. This Agreement may be terminated by Parent at any time prior to the Effective Time:

(a) if prior to the receipt of the Requisite Parent Vote at the Parent Stockholders Meeting, the Parent Board authorizes Parent, in full compliance with the terms of this Agreement to enter into an Acquisition Agreement (other than an Acceptable Confidentiality Agreement); provided that Parent shall have paid any amounts due pursuant to Section 8.06(b) in accordance with the terms, and at the times, specified therein; and provided further, that in the event of such termination, Parent substantially concurrently enters into such Acquisition Agreement;

(b) if the Company shall have breached or failed to perform in any material respect any of its covenants and agreements set forth in Section 5.04 or Section 5.05;

(c) if there shall have been a breach of any representation, warranty, covenant, or agreement on the part of the Company set forth in this Agreement such that the conditions to the Closing of the Merger set forth in Section 6.02(a) or Section 6.02(b), as applicable, would not be satisfied and, in either such case, such breach is incapable of being cured by the End Date; provided that Parent shall have given the Company at least 30 days' written notice prior to such termination stating Parent's intention to terminate this Agreement pursuant to this Section 8.03(c); provided further that Parent shall not have the right to terminate this Agreement pursuant to this Section 8.03(c) if Parent or Merger Sub is then in material breach of any representation, warranty, covenant, or obligation hereunder, which breach has not been cured;

(d) if the Company notifies Parent of any updates to the Company Disclosure Letter pursuant to Section 9.02, and such disclosed event, condition, fact or circumstance reveals that (i) the Company Group is unable to manufacture products containing 0.0% THC or (ii) any Company Group member has materially violated any applicable Law in such a manner that causes the Company Group to be unable to operate in substantially the same manner as prior to the date hereof or that would materially adversely impact the profitability of the Company Group (for the avoidance of doubt, in no event shall a breach of Section 3.20 be considered a material violation of applicable Law for purposes of this clause (ii)); or

(e) if within one Business Day following the execution and delivery of this Agreement by all of the parties hereto, the Company shall not have delivered to Parent a copy of the executed Written Consent evidencing receipt of the Requisite Company Vote.

Section 8.04 Termination by the Company. This Agreement may be terminated by the Company at any time prior to the Effective Time:

(a) if a Parent Adverse Recommendation Change shall have occurred; or

(b) if there shall have been a breach of any representation, warranty, covenant, or agreement on the part of Parent or Merger Sub set forth in this Agreement such that the conditions to the Closing of the Merger set forth in Section 6.03(a) or Section 6.03(b), as applicable, would not be satisfied and, in either such case, such breach is incapable of being cured by the End Date; provided that the Company shall have given Parent at least 30 days' written notice prior to such termination stating the Company's intention to terminate this Agreement pursuant to this Section 8.04(b); provided further that the Company shall not have the right to terminate this Agreement pursuant to this Section 8.04(b) if the Company is then in material breach of any representation, warranty, covenant, or obligation hereunder, which breach has not been cured.

Section 8.05 Notice of Termination; Effect of Termination. The party desiring to terminate this Agreement pursuant to this Article VIII (other than pursuant to Section 8.01) shall deliver written notice of such termination to each other party hereto specifying with particularity the reason for such termination, and any such termination in accordance with this Section 8.05 shall be effective immediately upon delivery of such written notice to the other party. If this Agreement is terminated pursuant to this Article VIII, it will become void and of no further force and effect, with no liability on the part of any party to this Agreement (or any stockholder, director, officer, employee, agent, or Representative of such party) to any other party hereto, except: (a) with respect to Section 5.03(b), this Section 8.05, Section 8.06, and Article IX (and any related definitions contained in any such Sections or Article), which shall remain in full force and effect; and (b) with respect to any liabilities or damages incurred or suffered by a party, to the extent such liabilities or damages were the result of fraud or the willful breach by another party of any of its representations, warranties, covenants, or other agreements set forth in this Agreement.

Section 8.06 Fees and Expenses Following Termination.

(a) If this Agreement is terminated by: (i) Parent pursuant to Section 8.03(b) or Section 8.03(d), then the Company shall deliver to Parent, within three Business Days after such termination, a fee in an amount equal to the Company Termination Fee; or (ii) the Company pursuant to Section 8.04(a), then Parent shall pay to the Company (by wire transfer of immediately available funds), at or prior to such termination, the Parent Termination Fee;

(b) If this Agreement is terminated by Parent pursuant to Section 8.03(a), then Parent shall deliver to the Company, at or prior to such termination, the Parent Termination Fee; and

(c) The parties acknowledge and hereby agree that the provisions of this Section 8.06 are an integral part of the transactions contemplated by this Agreement (including the Merger), and that, without such provisions, the parties would not have entered into this Agreement. If the Company, on the one hand, or Parent and Merger Sub, on the other hand, shall fail to pay in a timely manner the amounts due pursuant to this Section 8.06, and, in order to obtain such payment, the other party makes a claim against the non-paying party that results in a judgment, the non-paying party shall pay to the other party the reasonable costs and expenses

(including its reasonable attorneys' fees and expenses) incurred or accrued in connection with such suit. The parties acknowledge and agree that in no event shall the Company be obligated to pay the Company Termination Fee, or Parent the Parent Termination Fee, on more than one occasion.

Section 8.07 Amendment. At any time prior to the Effective Time, this Agreement may be amended or supplemented in any and all respects, whether before or after receipt of the Requisite Company Vote or the Requisite Parent Vote, by written agreement signed by each of the parties hereto; provided, however, that, following the receipt of the Requisite Parent Vote, there shall be no amendment or supplement to the provisions of this Agreement that by Law or in accordance with the rules of any relevant self-regulatory organization would require further approval by the holders of Parent Common Stock without such approval.

Section 8.08 Extension; Waiver. At any time prior to the Effective Time, Parent or Merger Sub, on the one hand, or the Company, on the other hand, may: (a) extend the time for the performance of any of the obligations of the other party(ies); (b) waive any inaccuracies in the representations and warranties of the other party(ies) contained in this Agreement or in any document delivered under this Agreement; or (c) unless prohibited by applicable Law, waive compliance with any of the covenants, agreements, or conditions contained in this Agreement. Any agreement on the part of a party to any extension or waiver will be valid only if set forth in an instrument in writing signed by such party. The failure of any party to assert any of its rights under this Agreement or otherwise will not constitute a waiver of such rights.

ARTICLE IX
MISCELLANEOUS

Section 9.01 Member Representative.

(a) By approving this Agreement and the transactions contemplated hereby or by executing and delivering a letter of transmittal pursuant to Section 2.08(b), each Member shall have irrevocably authorized and appointed Member Representative as such Person's representative and attorney-in-fact to act on behalf of such Person with respect to this Agreement and to take any and all actions and make any decisions required or permitted to be taken by Member Representative pursuant to this Agreement, including the exercise of the power to:

(i) give and receive notices and communications;

(ii) agree to, negotiate, enter into settlements and compromises of, and comply with orders of courts with respect to claims for indemnification made by Parent pursuant to Article VII;

(iii) litigate, arbitrate, resolve, settle or compromise any claim for indemnification pursuant to Article VII;

(iv) execute and deliver all documents necessary or desirable to carry out the intent of this Agreement;

(v) make all elections or decisions contemplated by this Agreement;

(vi) engage, employ or appoint any agents or representatives (including attorneys, accountants and consultants) to assist Member Representative in complying with its duties and obligations; and

(vii) take all actions necessary or appropriate in the good faith judgment of Member Representative for the accomplishment of the foregoing.

Parent shall be entitled to deal exclusively with Member Representative on all matters relating to this Agreement (including Article VII) and shall be entitled to rely conclusively (without further evidence of any kind whatsoever) on any document executed or purported to be executed on behalf of any Member by Member Representative, and on any other action taken or purported to be taken on behalf of any Member by Member Representative, as being fully binding upon such Person. Notices or communications to or from Member Representative shall constitute notice to or from each of the Members. Any decision or action by Member Representative hereunder, including any agreement between Member Representative and Parent relating to the defense, payment or settlement of any claims for indemnification hereunder, shall constitute a decision or action of all Members and shall be final, binding and conclusive upon each such Person. No Member shall have the right to object to, dissent from, protest or otherwise contest the same. The provisions of this Section, including the power of attorney granted hereby, are independent and severable, are irrevocable and coupled with an interest and shall not be terminated by any act of any one or Members, or by operation of Law, whether by death or other event.

(b) The Member Representative may resign at any time, and may be removed for any reason or no reason by the vote or written consent of a majority in interest of the Members according to each Member's Pro Rata Share (the "Majority Holders"); provided, however, in no event shall Member Representative resign or be removed without the Majority Holders having first appointed a new Member Representative who shall assume such duties immediately upon the resignation or removal of Member Representative. In the event of the death, incapacity, resignation or removal of Member Representative, a new Member Representative shall be appointed by the vote or written consent of the Majority Holders. Notice of such vote or a copy of the written consent appointing such new Member Representative shall be sent to Parent, such appointment to be effective upon the later of the date indicated in such consent or the date such notice is received by Parent; provided that, until such notice is received, Parent, Merger Sub and the Surviving Company shall be entitled to rely on the decisions and actions of the prior Member Representative as described in Section 9.01(a).

(c) The Member Representative shall not be liable to the Members for actions taken pursuant to this Agreement, except to the extent such actions shall have been determined by a court of competent jurisdiction to have constituted gross negligence or involved fraud, intentional misconduct or bad faith (it being understood that any act done or omitted pursuant to the advice of counsel, accountants and other professionals and experts retained by Member Representative shall be conclusive evidence of good faith).

Section 9.02 Updates to Company Disclosure Letter. On or prior to January 15, 2020, the Company shall notify Parent in writing (together with a reasonably detailed description and all related documentation or information) of the discovery by the Company of: (a) any event, condition, fact or circumstance that occurred or existed on or prior to the date of this Agreement

and caused or constitutes a breach of any representation or warranty made by the Company in this Agreement; (b) any event, condition, fact or circumstance that occurs, arises or exists after the date of this Agreement and that would cause or constitute a breach of any representation or warranty made by the Company in this Agreement, in either case as if (i) such representation or warranty had been made as of the time of the occurrence, existence or discovery of such event, condition, fact or circumstance, or (ii) such event, condition, fact or circumstance had occurred, arisen or existed on or prior to the date of this Agreement; (c) any breach of any covenant or obligation of the Company under this Agreement; and (d) any event, condition, fact or circumstance that could reasonably be expected to make the timely satisfaction of any of the conditions set forth in Section 6.02 impossible or unlikely. If any event, condition, fact or circumstance that is disclosed pursuant to this Section 9.02 requires any change in the Company Disclosure Letter, or if any such event, condition, fact or circumstance would require such a change assuming the Company Disclosure Letter were dated as of the date of the occurrence, existence or discovery of such event, condition, fact or circumstance, then the Company shall deliver to Parent an update to the Company Disclosure Letter specifying such change. For the avoidance of doubt, any notifications provided to Parent pursuant to this Section 9.02(a) shall be deemed to have been made as of the date hereof.

Section 9.03 Expenses. Except as otherwise expressly provided herein, all costs and expenses, including, without limitation, fees and disbursements of counsel, financial advisors and accountants, incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the party incurring such costs and expenses, whether or not the Closing shall have occurred; provided, however, Parent and the Company shall be equally responsible for all filing and other similar fees payable in connection with any filings or submissions under the HSR Act.

Section 9.04 Notices. All notices, requests, consents, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been given (a) when delivered by hand (with written confirmation of receipt); (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by email of a PDF document (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next Business Day if sent after normal business hours of the recipient or (d) on the third day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. Such communications must be sent to the respective parties at the following addresses (or at such other address for a party as shall be specified in a notice given in accordance with this Section 9.04):

If to Parent or Merger Sub:	Australis Capital Inc. Attn: Michael Carlotti EVP & CFO 376 E. Warm Springs Rd, Suite 190 Las Vegas, NV 89119 Phone: 1-800-898-0648 Email: [redacted] **[Description - email address redacted]**

with a copy (which shall not constitute notice) to:	Snell & Wilmer L.L.P. Attn: John S. Delikanakis; Joshua Schneiderman; Rose Sorensen Hughes Center 3883 Howard Hughes Parkway Suite 1100 Las Vegas, NV 89169-5958 Phone: 702-784-5259 Email: jdelikanakis@swlaw.com; jschneiderman@swlaw.com; rsorensen@swlaw.com
If to the Company:	Folium Equity Holding LLC Attn: Kashif Shan, CEO 615 Wooten Road Suite 110 Colorado Springs, CO 80915 Phone: 719-574-2159 Email: [redacted] **[Description- email address redacted]**
with a copy (which shall not constitute notice) to:	Brownstein Hyatt Farber Schreck, LLP 410 17th Street, Suite 2200 Denver, Colorado 80202 Attention: Steven C. Demby Robert P. Attai Email: sdemby@bhfs.com rattai@bhfs.com Phone: (303) 223-1119 (303) 223-1271
If to Member Representative:	Kashif Shan, CEO 615 Wooten Road Suite 110 Colorado Springs, CO 80915 Phone: 719-574-2159 Email: [redacted] **[Description - email address redacted]**
with a copy (which shall not constitute notice) to:	Folium Equity Holding LLC Attn: Ricardo Calzada, II, Esq., In-House Counsel 615 Wooten Road Suite 110 Colorado Springs, CO 80915 Phone: 719-574-2159 Email: [redacted] **[Description - email address redacted]**

Section 9.05 Interpretation. For purposes of this Agreement, (a) the words "include," "includes" and "including" shall be deemed to be followed by the words "without limitation"; (b) the word "or" is not exclusive; and (c) the words "herein," "hereof," "hereby," "hereto" and "hereunder" refer to this Agreement as a whole. Unless the context otherwise requires, references herein: (x) to Articles, Sections, Schedules and Exhibits mean the Articles and Sections of, and Schedules and Exhibits attached to, this Agreement; (y) to an agreement, instrument or other document means such agreement, instrument or other document as amended, supplemented and modified from time to time to the extent permitted by the provisions thereof and (z) to a statute means such statute as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder. This Agreement shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted. The Company Disclosure Letter, Schedules and Exhibits referred to herein shall be construed with, and as an integral part of, this Agreement to the same extent as if they were set forth verbatim herein. The words "made available", "delivered to" and "provided to" (and variations thereof) mean (unless otherwise specified), with respect to a particular document, item or other piece of information, inclusion and availability in the virtual data room hosted by Merrill Corporation in connection with the transactions contemplated by this Agreement on or prior to 5:00 p.m. Mountain time on one (1) day prior to the date hereof.

Section 9.06 Headings. The headings in this Agreement are for reference only and shall not affect the interpretation of this Agreement.

Section 9.07 Severability. If any term or provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction. Upon such determination that any term or other provision is invalid, illegal or unenforceable, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

Section 9.08 Entire Agreement. This Agreement constitutes the sole and entire agreement of the parties to this Agreement with respect to the subject matter contained herein and therein, and supersede all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter. In the event of any inconsistency between the statements in the body of this Agreement and those in the Exhibits, Schedules and Company Disclosure Letter (other than an exception expressly set forth as such in the Company Disclosure Letter), the statements in the body of this Agreement will control.

Section 9.09 Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns. Neither party may assign its rights or obligations hereunder without the prior written consent of the other party, which consent shall not be unreasonably withheld or delayed. No assignment shall relieve the assigning party of any of its obligations hereunder.

Section 9.10 No Third-party Beneficiaries. Except as provided in Section 2.07(f), Section 5.11 and Article VII, this Agreement is for the sole benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other Person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

Section 9.11 Governing Law; Submission to Jurisdiction; Waiver of Jury Trial.

(a) This Agreement shall be governed by and construed in accordance with the internal laws of the State of Delaware without giving effect to any choice or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction).

(b) Any legal suit, action or proceeding arising out of or based upon this Agreement or the transactions contemplated hereby may be instituted in state or federal courts of the United States of America located in the State of Delaware, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action or proceeding. Service of process, summons, notice or other document by mail to such party's address set forth herein shall be effective service of process for any suit, action or other proceeding brought in any such court. The parties irrevocably and unconditionally waive any objection to the laying of venue of any suit, action or any proceeding in such courts and irrevocably waive and agree not to plead or claim in any such court that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum.

(c) EACH PARTY ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES AND, THEREFORE, EACH SUCH PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LEGAL ACTION ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY. EACH PARTY TO THIS AGREEMENT CERTIFIES AND ACKNOWLEDGES THAT (i) NO REPRESENTATIVE OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT SEEK TO ENFORCE THE FOREGOING WAIVER IN THE EVENT OF A LEGAL ACTION, (ii) SUCH PARTY HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (iii) SUCH PARTY MAKES THIS WAIVER VOLUNTARILY, AND (iv) SUCH PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 9.11(c).

Section 9.12 Specific Performance. The parties agree that irreparable damage would occur if any provision of this Agreement were not performed in accordance with the terms hereof and that 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 or in equity.

Section 9.13 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by email or other means of

electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

[Signatures follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

PARENT:

Australis Capital Inc.,
an Alberta corporation

By: _____
Name: Scott Dowty
Title: Chief Executive Officer

MERGER SUB:

Fern Merger Sub, LLC,
a Colorado limited liability company

By: _____
Name: Daniel Norr
Title: Manager

COMPANY:

Folium Equity Holding LLC,
a Colorado limited liability company

By: _____
Name: Kashif Shan
Title: Chief Executive Officer

MEMBER REPRESENTATIVE:

Kashif Shan,
solely in his capacity
as Member Representative

_____
Name: Kashif Shan

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

PARENT:

Australis Capital Inc.,
an Alberta corporation

By: _____
Name: Scott Dowty
Title: Chief Executive Officer

MERGER SUB:

Fern Merger Sub, LLC,
a Colorado limited liability company

By: _____
Name: Daniel Norr
Title: Manager

COMPANY:

Folium Equity Holding LLC,
a Colorado limited liability company

By: _____
Name: Kashif Shan
Title: Chief Executive Officer

MEMBER REPRESENTATIVE:

Kashif Shan,
solely in his capacity
as Member Representative

_____
Name: Kashif Shan