

MANUFACTURING AGREEMENT

THIS **MANUFACTURING AGREEMENT** (the “**Agreement**”) is made the 12th day of June, 2018 (the “**Effective Date**”),

BETWEEN:

BEVCANNA INC. a British Columbia corporation with a principal place of business at 200 - 1672 West 2nd Avenue, Vancouver, British Columbia, V6J 1H4

(“**BevCanna**”)

AND:

NATURO GROUP INVESTMENTS INC., a British Columbia corporation with a principal place of business at 100 - 1672 West 2nd Avenue, Vancouver, British Columbia, V6J 1H4

(“**Naturo**”)

WHEREAS:

- A. BevCanna is engaged in the business of cultivating and processing cannabis and cannabis related products and derivatives and proposes to be engaged in the business of marketing and distributing water-based cannabis beverages as and when permitted by applicable laws and regulations (the “**Business**”).
- B. Naturo is in the business of manufacturing and packaging water and trace mineral infused beverages and providing related services.
- C. BevCanna wishes to retain Naturo to provide BevCanna certain manufacturing and quality assurance services for manufacturing beverages in a bottling facility leased by BevCanna from Miller Springs Ltd. and Naturo located in Osoyoos, British Columbia (the “**Facility**”), such lease dated as of the Effective Date (the “**Lease**”).
- D. Naturo has agreed to provide manufacturing and quality assurance services to BevCanna using water rights granted to BevCanna by Naturo under the Lease and upon the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, BevCanna and Naturo (collectively the “**Parties**”) agree as follows:

Article 1 Definitions

1.1 Definitions

The following terms used in the Agreement shall have the meanings set forth below. Other terms of less general applicability are defined elsewhere in the Agreement where appropriate:

- (a) **"Affiliate"** has the meaning ascribed thereto in the *Business Corporations Act* (British Columbia);
- (b) **"Canadian GMP"** means good manufacturing practices issued under the Food and Drugs Act and Regulations as amended from time to time;
- (c) **"Confidential Information"** in relation to a Party (the **"Discloser"**) all information of or relating to the Discloser or its Affiliates disclosed to another Party (the **"Recipient"**) pursuant to or in connection with this Agreement including: (a) trade secrets, concepts, technical information and designs, improvements, innovations, know-how and technical expertise; (b) inventions, whether patentable or not; (c) unpublished applications for the protection or registration of patents, trade-marks, copyright or other intellectual property; (d) specifications, graphic designs, research and development results, material data, and pricing structures; (e) market information including proposed product lines, customer lists, trade-marks, names, dress, or distinguishing guises, marketing concepts and ideas, business information and methods, business plans, and personnel data; (f) financial information, including sales, financial statements, budgets, projections, (g) information concerning any unreleased, proposed, unannounced or prototype product or method, (h) information gathered by Discloser by the expenditure of time and effort, whether pertaining to inventions, trade secrets, know how, technological advances or market strategies; (i) contracts; and (j) any other information whether technical, business, financial and marketing information, customer information (including personally identifiable information) or otherwise; in each case, regardless of whether marked as confidential and irrespective of the form in which it is disclosed (including orally, in writing, electronically or through electronic access, or visual presentation or demonstration), but excluding any information that (aa) is or becomes publicly available without breach of this Agreement through no fault of Recipient, or (bb) was demonstrably in the possession of Recipient prior to receiving it from Discloser or Discloser's Affiliate, (cc) Recipient can demonstrate was developed by it independently and without use of or reference to the information of Discloser or Discloser's Affiliates, or (dd) Recipient receives from a third party who is under no confidentiality obligation to Discloser. Confidential Information of each Party includes the Specifications created by such Party;
- (d) **"Facility"** has the meaning set out in Recital C;
- (e) **"Finished Products"** means the finished, packaged water-based cannabis beverages Manufactured by Naturo that are ready for sale to consumers, including the Trace Products except as specified herein;
- (f) **"Food and Drugs Act and Regulations"** means the *Food and Drugs Act*, R.S.C., 1985, c.F-27, as may be amended from time to time together with regulations promulgated thereunder;

- (g) **“Government Authority”** means any national, provincial or local government, court, governmental agency, authority, board, bureau or regulatory body having jurisdiction over the Finished Product;
- (h) **“Latent Defect”** has the meaning set out in Section 3.3(d).
- (i) **“Laws, Rules and Regulations”** means all laws and regulations applicable in Canada, and includes all guidance documents, policies and other similar documents relating to the Manufacture and quality control of cannabis beverages applicable in Canada, as amended from time to time;
- (j) **“Manufacture”** or any variation thereof, means all operations necessary to manufacture, finish and package the Finished Products to the specified state of completion in accordance with the terms and conditions of this Agreement. Without limiting the foregoing, the term **“Manufacture”** shall include:
 - (i) compliance with all applicable Laws, Rules and Regulations;
 - (ii) compliance with the Specifications;
 - (iii) testing, receipt and storage of Materials incident to such operations in compliance with the Specifications and all applicable Laws, Rules and Regulations; and
 - (iv) the performance of all quality control procedures pertaining to the Materials which are required by applicable Laws, Rules and Regulations on the Effective Date, and/or which become required by applicable Laws, Rules and Regulations after the Effective Date;
- (k) **“Materials”** means ingredients and packaging materials used to Manufacture Finished Products;
- (l) **“Naturo Fault”** has the meaning set out in Section 3.3(b).
- (m) **“Naturo Non-Fault”** has the meaning set out in Section 3.3(b)(i).
- (n) **“Party”** means either Naturo or BevCanna and **“Parties”** means both of them;
- (o) **“Price”** has the meaning set out in Section 4.1.
- (p) **“Printed Matter”** means all printed Materials, including labeling required to be affixed to and/or packaged with Finished Products delivered to Naturo by BevCanna hereunder, and includes all electronic and hard copies of Materials;
- (q) **“Purchase Order”** has the meaning set out in Section 3.1.
- (r) **“Replacement Period”** means:
 - (i) if:
 - A. there are sufficient Materials on hand at Naturo;

- B. the amount of replacement products constitutes a whole batch or BevCanna agrees to purchase pursuant to the terms hereof such additional Finished Product so that the replacement products and the additional Finished Product constitute a whole batch; BevCanna shall bear the entire replacement costs unless replacement costs shall be borne by Naturo according to the provisions of this Agreement; and
- C. BevCanna notifies Naturo that it, in its reasonable judgment, requires the replacement product as soon as possible,

then Naturo shall deliver such replacement products as soon as reasonably practicable but not later than ninety (90) days from the date of notification by BevCanna; and;

- (ii) otherwise, such date agreed by Naturo and BevCanna or, failing agreement, the Delivery Date immediately following the next production run of Finished Product hereunder;
- (s) **“Representatives”** has the meaning set out in Section 9.1(a)(iii).
- (t) **“Specifications”** mean the written methods, formulae, procedures, specifications, tests (and testing protocols) and standards pertaining to the Finished Products as provided by BevCanna to Naturo from time to time (or as provided by Naturo to BevCanna with respect to the Trace Products), as modified from time to time in accordance with Article 5;
- (u) **“Stability and Release Testing”** means testing the Product and Materials for stability and release as required by applicable Laws, Rules and Regulations or by the Specifications;
- (v) **“Term”** means the period starting on the Effective Date and continuing for the Initial term of this Agreement and any subsequent extension period as set forth in Section 7.1 hereof, subject to any earlier termination of this Agreement pursuant to Section 7.2 hereof; and
- (w) **“Trace Products”** means cannabis beverages produced by Naturo for Trace’s fulvic and humic mineral waters.

Article 2

License and Supply of Product

2.1 Obligations of the Parties

- (a) Relationship of the Parties. Pursuant to the terms and conditions of this Agreement, BevCanna and Naturo agree and acknowledge that Naturo shall be the supplier of the Finished Products during the Term. The Parties further acknowledge that no partnership, joint venture, or agency relationship is created between the Parties with respect to this Agreement.
- (b) Manufacture of Finished Products. Subject to the terms and conditions hereof, Naturo shall Manufacture Finished Products in accordance with applicable Laws, Rules and Regulations, and the Specifications provided to Naturo by BevCanna. Naturo shall label the Finished Products with the Printed Matter supplied by BevCanna. For the Trace Products, Naturo will provide Specifications to BevCanna for the Manufacture and BevCanna will solely use these Specifications to Manufacture the Trace Products and for no other purpose whatsoever.

Further, Naturo shall not Manufacture any other fulvic or humic water product for any other party.

- (c) License. Naturo grants BevCanna the exclusive right and license to use Naturo's Confidential Information regarding Manufacturing of Finished Products (excluding the Trace Products) to market products similar to the Finished Products to potential purchasers, provided that disclosure of any of Naturo's Confidential Information shall be subject to confidentiality obligations no less onerous than those imposed on BevCanna under this Agreement.
- (d) Product Recalls. BevCanna shall be responsible for conducting product recalls and shall promptly notify Naturo of any recall notice for Finished Products. Naturo shall use commercially reasonable efforts to co-operate with and assist BevCanna to comply with applicable Laws, Rules and Regulations in conducting such recall. Naturo shall promptly notify BevCanna if it receives any notice, including a recall notice, which relates to any Finished Product or if it is aware of any information that a recall is necessary. Naturo shall pay for BevCanna's out-of-pocket costs and expenses solely arising from the technical processing of any recall resulting from Naturo's material breach of this Agreement or Naturo's negligence. For recalls which do not result from Naturo's material breach of this Agreement or Naturo's negligence, BevCanna shall be responsible for all costs and expenses of the recall.
- (e) Stability and Release Testing. Naturo shall conduct all Stability and Release Testing and, unless such cost has been expressly and specifically offset by Naturo or otherwise expressly included in the pricing set out in the attached Schedule D, BevCanna shall bear the cost of Stability and Release Testing required for Finished Products. The cost of Naturo Stability and Release Testing services is included in Schedule B. Naturo shall invoice BevCanna each calendar month for the previous calendar month's cost for Stability Testing. BevCanna shall pay invoice within thirty (30) days from BevCanna's receipt.
- (f) Product Complaints. BevCanna shall have the responsibility for fielding, investigating, and responding to all Finished Product complaints. Naturo shall promptly investigate its role, if any, in matters relating to the Finished Product complaint and report to BevCanna the results of those investigations for all Finished Product complaints that may involve the Finished Products not meeting Specifications, not meeting applicable Laws, Rules and Regulations or as a result of any other breach of this Agreement by Naturo.

2.2 Purchase, Receipt and Storage of Materials

Each Party shall supply the Materials set out in Schedule C. Naturo shall receive, document as inventory and handle BevCanna-owned Materials to support the Manufacture of Finished Products. Naturo will store the Materials with due care and attention to the requirements set forth in the Specifications and with all applicable Laws, Rules and Regulations. While in storage, Naturo shall assume the risk of loss or damage to such Materials from any cause resulting from Naturo's negligence or wilful misconduct. If BevCanna provides Materials from a supplier that has not been audited or qualified by Naturo, then BevCanna, at its own expense, will have to audit the supplier to qualify the supplier for Naturo. If BevCanna nominates a supplier of materials that has not already been audited / qualified by the Naturo, then BevCanna, at its own option, will have to audit this supplier at its own costs or compensate Naturo for the auditing / qualification of such supplier.

2.3 Availability of Finished Products

Finished Products will be made available by Naturo to BevCanna at the Facility. BevCanna assumes all responsibility for storage and shipment of Finished Products, following completion of Manufacturing.

2.4 Quality Assurance Agreement

As required by applicable laws or for process purposes, the Parties will enter into a Quality Assurance Agreement with respect to the Manufacture of the Finished Product.

Article 3 Purchase of Product

3.1 Purchase Orders

BevCanna shall provide binding purchase orders to Naturo specifying Finished Products to be Manufactured by Naturo ("**Purchase Orders**"). No Purchase Order shall be binding on Naturo unless and until Naturo accepts such Purchase Order in writing. Any terms or conditions of sale contained in the Purchase Orders which may vary or be different from or supplemental to the terms and conditions of this Agreement shall not be binding upon Naturo unless specifically agreed to in writing in Naturo's acceptance of such Purchase Order. Each Purchase Order shall specify the quantity of Finished Product, the requested date by which to Manufacture the Finished Product (minimum 30 days) and the Specifications to be used.

3.2 Testing and Certificate of Analysis

Naturo shall provide a Certificate of Analysis in compliance with applicable Laws, Rules and Regulations ("**Certificate of Analysis**") to BevCanna, with each batch of Finished Product made available hereunder. Such Certificate of Analysis shall certify with respect to each shipment and lot (identified by batch/lot or control number):

- (a) the quantity of the shipment;
- (b) the analytical test results for a specified lot of Finished Products provided to BevCanna hereunder; and
- (c) that the Finished Product made available to BevCanna was Manufactured in accordance with the Specifications and the master batch records and documented according to requirements of Laws, Rules and Regulations and production standard operating procedures.

3.3 Testing Upon Delivery

- (a) Compliance Check. Promptly following receipt of the Finished Product, BevCanna may check any defects, other than Latent Defects (as defined in Section 3.3(d)) the compliance of such batch with the Specifications or any shortage in the respective shipment (collectively, the "**compliance check**"). Such compliance check shall be performed by BevCanna's quality assurance department and shall be certified by the head of such department (or his/her designee). If BevCanna deems that any Finished Products delivered to BevCanna hereunder fail to conform to Specifications or comply with Naturo's obligations under this Agreement, then BevCanna shall notify Naturo thereof in writing (such notice to include test results)

immediately, but no later than within fifteen (15) days from delivery of such Finished Products to BevCanna. BevCanna shall retain the non-conforming Finished Products and Naturo shall have the right to inspect such Finished Products. If Naturo batch records for the Finished Products establish that the Finished Product met BevCanna Specifications and therefore complied with Naturo's obligations under this Agreement at time of delivery, and BevCanna concurs with the Naturo batch records for the Finished Products so Finished Product damage was due solely to handling or other events taking place after the transfer of the Finished Product to BevCanna, then Naturo shall not be liable for any damage. In the case BevCanna does not notify Naturo of any defect, variance or delay within the aforementioned period of time, the Finished Product shall be classified as free from defects or non-compliance in respect of obvious defects or variance or from any delay. The responsibility for the quality and any features of the Finished Product which result from Specifications shall lie with BevCanna.

(b) Undisputed Claims. Naturo shall, if it agrees with BevCanna's complaint, and if such non-conformities were within the control of Naturo, were caused by the negligence of Naturo or arose as a result of a breach of this Agreement by Naturo ("**Naturo Fault**"), replace any such non-conforming Finished Products at no cost to BevCanna within the Replacement Period with an equal quantity of Finished Product complying with the Specifications and with Naturo's obligations under this Agreement. Naturo shall reimburse BevCanna for all reasonable shipping, handling and storage charges incurred in association with such non-conforming Finished Product and for the Materials used in such non-conforming Finished Product. Naturo shall have the initial right of rectification (reprocessing) instead of replacement, if feasible.

(i) Naturo shall have no liability for non-conforming Finished Product if such non-conformance is:

- A. not within the control of Naturo personnel;
- B. not caused by the negligence of Naturo personnel or processes; and
- C. not as a result of a breach of this Agreement by Naturo

("Naturo Non-Fault").

In such case, Naturo shall replace the non-conforming Finished Product within the Replacement Period at BevCanna's cost.

(ii) BevCanna shall dispose of any non-conforming Finished Products that are not in compliance with the Specifications, and in compliance with all applicable Laws, Rules and Regulations, except that in the case of Naturo Fault, Naturo shall bear all costs and BevCanna shall follow any reasonable instructions from Naturo to return such Finished Products to Naturo for destruction by Naturo at Naturo's cost.

(c) Disputed Claims. If Naturo does not agree with BevCanna's complaint that there was a Naturo Fault or that other circumstances exist that could result in Naturo not having liability, then Naturo shall notify BevCanna of such disagreement within thirty (30) days of receipt of notice of deficiency. Notwithstanding any such disagreement, Naturo shall replace the Finished Product subject to the dispute within the Replacement Period, with the costs of such replacement Finished Product to be determined as set out herein and such replacement shipment of Finished Product shall be treated as a new, additional shipment of Finished

Product for purposes of measuring its conformance to the Specifications and all Laws, Rules and Regulations and this Agreement. If the Parties cannot themselves resolve whether the Product was conforming or non-conforming within ten (10) business days of BevCanna's receipt of Naturo notice of disagreement, then the matter shall be submitted (without undue delay) to an independent laboratory of nationally recognized standard for testing agreed by the Parties in order to resolve the discrepancy in the analysis of the Finished Products in question. The assessment of such laboratory shall be binding upon the Parties and any related expense shall be borne by the Party whose analysis was in error. If such independent laboratory confirms that such shipment did not conform to the Finished Product Specifications and all Laws, Rules and Regulations, and the Parties agree or it is determined there was Naturo Fault, the replacement Finished Products referred to above shall be at no cost to BevCanna, and Naturo shall reimburse BevCanna for the cost of the Materials provided by BevCanna used for the non-conforming Finished Product shipment and shall bear all expenses of shipping and testing the shipment samples, including any out-of-pocket costs incurred by BevCanna in returning such Finished Product to Naturo or its nominee or in disposing of such Finished Product. If such independent laboratory confirms that such shipment did conform to the Finished Product Specifications and all Laws, Rules and Regulations or the Parties agree or it is determined there was Naturo Non-Fault, Naturo shall bear no costs and BevCanna shall pay for the Finished Product in question and the replacement Finished Product as otherwise provided in this Agreement.

- (d) Latent Defects. Any other Finished Product non-conformance, which could not have reasonably been discovered pursuant to the procedures contained above (a "**Latent Defect**"), shall be reported to Naturo as soon after discovery by BevCanna as is practicable, but no later than twenty (20) days after discovery by BevCanna. In the case BevCanna does not report any Latent Defect within the aforementioned period of time, the Finished Product shall be classified as free from such Latent Defect. For Latent Defects, Naturo shall replace the Finished Product subject to the Latent Defect within the Replacement Period, with the costs of such replacement Finished Product to be determined as set out herein and such replacement shipment of Finished Product shall be treated as a new, additional shipment of Finished Product for purposes of measuring its conformance to the Specifications and all Laws, Rules and Regulations and this Agreement. For Latent Defects where the Parties agree or it is determined the defect existed prior to shipment and there was Naturo Fault, the replacement Finished Product shall be at no cost to BevCanna and Naturo will be liable to BevCanna for costs of Material for the non-conforming Finished Product. For Latent Defects where the Parties agree or it is determined there was Naturo Non-Fault, BevCanna shall pay for the replacement Finished Product as otherwise provided in this Agreement.

3.4 Violations

Each Party shall notify the other of any violation of any Laws, Rules and Regulations applicable to the Finished Products alleged by a third party promptly following receipt of notice of such allegation.

3.5 Warranty

- (a) Unless otherwise provided herein, the period of warranty is 12 (twelve) months from the time when the Finished Product leaves the Facility.

- (b) The period of warranty will equal the declared product-specific shelf-life in the case the Finished Product is manufactured after applicable stability studies and according to a validated process.
- (c) Provided that if during the period of warranty, analyses are agreed upon in connection with the investigation of the origin of a Latent Defect and provided that performance of such analyses extends beyond the original period of warranty, the period of warranty will be extended by the period required for such analyses.

Article 4 Pricing and Payment Terms

4.1 Pricing

The price for Finished Products Manufactured hereunder shall be as per the attached Schedule D (the "**Price**"). The Price shall be adjusted annually by:

- (a) in the case of Materials purchased by Naturo, the actual changes in the cost of such Materials (and may include adjustments to yield and scrap losses associated with the overall capability of the manufacturing process);
- (b) in the case of change in labour and energy costs, the actual changes in the cost of such labour and energy, which increase in labour and energy costs; and
- (c) in case of changes in the manufacturing process, specifications, annual volumes or changes by Law, Rules and Regulations, Naturo shall be permitted, acting reasonably, to recalculate the Price.

Naturo shall provide BevCanna with prior notification of any adjustment to the Price.

4.2 Payment Terms

The Price for all Finished Product Manufactured hereunder shall be due and owing to Naturo net thirty (30) days after Naturo delivers an invoice for the Finished Product and shall be payable in Canadian dollars in immediately-available funds. Naturo may withhold subsequent deliveries of product should BevCanna fail to pay invoices (other than matters subject to a dispute hereunder). Nothing herein shall be deemed as an exclusive remedy to Naturo for BevCanna's failure to pay.

4.3 Product Scrap

In the event Naturo realizes product scrap costs where there was Naturo Fault, Naturo will pay for all disposal costs and will reimburse BevCanna for costs of Materials for such scrapped Finished Product. In the event Naturo realizes product scrap where there was Naturo Non-Fault, Naturo will invoice BevCanna the above mentioned costs.

Article 5 Change Management

5.1 Required Manufacturing Changes

With respect to changes to the Specifications or manufacturing process which are required by applicable Laws, Rules and Regulations or by action (or inaction) of any legally-competent government or other regulatory body or authority, or by concerns as to the toxicity, safety, and/or efficacy of the products (collectively, “**Required Manufacturing Changes**”), the Parties shall co-operate in making such changes promptly. The cost for product or BevCanna-specific Required Manufacturing Changes shall be borne by BevCanna. For product or BevCanna-specific Required Manufacturing Changes, BevCanna shall pay all the costs of all remaining obsolete stock of Finished Products (or partially Manufactured Finished Products) that were manufactured pursuant to a Purchase Order but had not yet been delivered, all inventory of affected Materials purchased by Naturo (at Naturo actual acquisition cost) and all remaining obsolete work in process of Finished Products that were ordered pursuant to a Purchase Order resulting from any such changes. In co-operating in making such changes, BevCanna shall be responsible for communicating with regulatory agencies with respect to the health registrations and marketing authorizations for the Finished Products.

5.2 Discretionary Manufacturing Changes

With respect to changes to the manufacturing process for Finished Products which are not Required Manufacturing Changes (collectively, “**Discretionary Manufacturing Changes**”), the Parties shall, to the extent commercially reasonable under the circumstances, co-operate in making such changes and the Party initiating such change(s) shall bear all the costs associated with and resulting from any such changes. If the proposed change is judged to require a prospective process validation or regulatory submission, then the costs to execute and resource such validation or submission shall be the responsibility of the initiating Party. The costs of periodic revalidations for product-related process validations shall be paid for by BevCanna. Neither Party can initiate any Discretionary Manufacturing Changes without the prior consent of the other Party which shall not be unreasonably withheld. All regulatory submissions will be filed by BevCanna and Naturo shall use reasonable commercial efforts to support BevCanna in preparing and filing all such regulatory submissions and in supporting BevCanna in obtaining approval for such regulatory submissions.

5.3 Labeling Changes

With respect to changes to the Printed Matter, the Parties shall co-operate in making such changes promptly and BevCanna shall, unless otherwise agreed, reimburse Naturo for all remaining obsolete stock of Finished Products, all inventory and Printed Matter (at Naturo actual acquisition cost) and all remaining obsolete work in process of Finished Products resulting from any such change or amendment to the Printed Matter. BevCanna may, at any time during the Term, change or amend any item of the labeling by notice hereunder, such change or amendment to be effective after appropriate advance written notice hereof.

5.4 Changes to Specifications

The responsibility for the quality and any features of the Finished Products which result from Specifications of BevCanna shall lie with BevCanna. BevCanna may make changes to the Specifications from time-to-time, provided that all such changes, including Required Manufacturing Changes, are to

be communicated to Naturo in writing and acknowledged by Naturo in writing. Any costs associated with the implementation of changes to the Specifications shall be paid by BevCanna. All regulatory submissions relating to a change in Specifications are to be filed by BevCanna and Naturo shall use reasonable commercial efforts to support BevCanna in preparing and filing all such regulatory submissions and in supporting BevCanna in obtaining approval for such regulatory submissions.

5.5 Authorizations

During the Term, Naturo shall obtain and maintain in force all licenses and authorizations necessary for Naturo to Manufacture Finished Products. BevCanna shall obtain, and bear all costs associated with maintenance of the regulatory licenses or health registrations for the Finished Products. Except as may be required by Sections 5.1, 5.2 or 5.5 hereof, Naturo shall bear the full cost and expense of so obtaining and maintaining such licenses and authorizations. In the event Finished Products require licenses in a new country or territory, BevCanna shall obtain the required licenses and pay the costs of new license requirements.

Article 6 Liabilities and Indemnification

6.1 Representations and Warranties

- (a) Naturo. Naturo hereby represents and warrants to BevCanna that:
- (i) it is duly organized and validly existing and has full corporate power and authority to enter into this Agreement and to perform its obligations hereunder;
 - (ii) it is duly authorized to execute and deliver this Agreement and to perform its obligations hereunder;
 - (iii) this Agreement is a legal and valid obligation binding upon the Parties and enforceable in accordance with its terms; the execution, delivery and performance of this Agreement by Naturo does not conflict with any agreement to which it is a Party or any law, regulation, rule, approval or permit to which it is subject;
 - (iv) it will Manufacture the Finished Product in accordance with all applicable Laws, Rules and Regulations; and
 - (v) Naturo has the personnel, expertise, know-how, equipment and facilities necessary to Manufacture and supply the Finished Products in accordance with all applicable Laws, Rules and Regulations and as contemplated by this Agreement.
- (b) BevCanna. BevCanna hereby represents and warrants to Naturo that:
- (i) it has the power and authority to enter into this Agreement and to perform its obligations hereunder;
 - (ii) this Agreement is a legal and valid obligation binding upon the Parties and enforceable in accordance with terms; the execution, delivery and performance of this Agreement by BevCanna does not conflict with any agreement to which it is a Party or any law, regulation, rule, approval or permit to which it is subject;

- (iii) it is the owner of all proprietary information, or the holder of licenses thereto, necessary to allow Naturo to Manufacture the Finished Products, and no Finished Products, when Manufactured in accordance with the Specifications, will infringe upon the rights of any third party; and
- (iv) it has all licenses, permits, and other authorizations necessary to fulfill its obligations under this Agreement.

BevCanna further warrants that the development, manufacture, marketing authorization and/or marketing of the Finished Product does not infringe any third party rights, in particular intellectual property rights and patent rights. BevCanna will hold harmless and indemnify Naturo and its Affiliates on first demand from all claims raised by third parties claiming that the development, manufacture, marketing authorization and/or marketing of the Finished Product infringe third party rights. Furthermore, BevCanna shall hold harmless and indemnify Naturo and its Affiliates from all costs incurred by Naturo and its Affiliates relating to such claims, including reasonable attorneys' fees and costs arising out of third party claims alleging that their patent or other intellectual property rights have been violated by Naturo's action in accordance with this Agreement. The limitation of liability provisions of this Agreement shall not apply to this liability.

6.2 Product Warranties

Naturo shall deliver to BevCanna the Finished Products which shall, on the date of making the Finished Products available to BevCanna:

- (a) meet the requirements therefore set forth in the Specifications;
- (b) comply in all material respects with all Laws, Rules and Regulations applicable to the Manufacture of the Finished Products in accordance with the Specifications; and
- (c) be free from liens, encumbrances and defects in title other than those that arise directly as a result of actions taken by BevCanna.

Naturo makes no warranties with respect to the Finished Products other than those specifically set forth in this section. Naturo warrants on the date hereof and on each other date during the term of this Agreement that it has all permits, licenses, approvals and authorizations granted by any applicable regulatory body or government agency, necessary to Manufacture the Finished Products (the "**Registrations**"), such Registrations are in good standing and Naturo is not aware of any circumstances that would prevent it from Manufacturing. No other warranty is expressed or implied by Naturo including any warranty of merchantability or fitness for a particular purpose and none shall be implied. The foregoing warranties shall not apply to any Finished Product that is altered by BevCanna or the carrier or is not shipped or stored in accordance with the Specifications.

6.3 Insurance

Naturo shall upon request provide BevCanna with evidence that it has in place the following policy with a reputable and responsible insurance carrier, which shall remain in full force and effect throughout the Term, comprehensive general liability insurance including product liability insurance, including contractual indemnity coverage, with combined single limits of not less than \$1,000,000 per occurrence and \$30,000,000 in the aggregate.

6.4 BevCanna Indemnity

BevCanna shall indemnify, defend and hold harmless Naturo, Naturo's Affiliates and each of their respective officers, directors, shareholders, employees, representatives and agents from and against any and all claims, demands, losses, damages, liabilities, and obligations, and all costs and expenses, including, without limitation, reasonable legal fees and disbursements incurred by Naturo in connection therewith (collectively, "**Losses**") whether Losses are based in contract, strict liability, negligence, warranty, laws or regulations, or any other legal theory, including, without limitation, injury to or death of persons and/or property or contamination of or adverse effect on humans, animals, aquatic life or the environment, based upon, arising out of, or otherwise in respect of:

- (a) the Manufacture, use, sale or distribution of the Finished Products, as long as such Finished Products are Manufactured by Naturo in accordance with Specifications, the terms of this Agreement and all applicable Laws, Rules and Regulations;
- (b) any claim threatened or brought against Naturo alleging that the Specifications for any Finished Product, or the labeling for such Finished Product, violate any applicable Law, Rule or Regulation, to the extent that such Specifications or labeling were provided to Naturo by BevCanna and the Finished Products in question were Manufactured in compliance with such Specifications, the terms of this Agreement and all applicable Laws, Rules and Regulations;
- (c) any inaccuracy in or breach of any representation, warranty, or covenant made by BevCanna in this Agreement;
- (d) the willful misconduct or any negligent or reckless acts or omissions of any of BevCanna's officers, directors, agents, affiliates, employees and/or representatives, or any allegations of the same;
- (e) any claim threatened or brought against Naturo alleging that the Manufacture, in accordance with the design or Specifications of any Finished Product, as provided to Naturo by BevCanna, the terms of this Agreement and all applicable Laws, Rules and Regulations, infringes upon any intellectual property right of a third party;
- (f) any product warranty claim or product liability claim, threatened or brought against Naturo with respect to Finished Products which were Manufactured by Naturo in accordance with the Specifications, the terms of this Agreement and in accordance with all applicable Laws, Rules and Regulations;
- (g) any defect in Materials supplied by BevCanna which could not have been reasonably discovered by Naturo using the test methods set forth in the Specifications; and
- (h) any claim, including damage to any property, or injury to any person arising out of, or related to, the Facility.

6.5 Naturo Indemnity

Naturo shall, subject to the limitations of liability and warranty provided in Section 6.7 of this Agreement, indemnify, defend and hold harmless BevCanna and its Affiliates and each of their respective officers, directors, shareholders, employees, representatives and agents from and against any and all Losses, whether such Losses are based in contract, strict liability, negligence, warranty,

statutes or regulations, or any other legal theory, including, without limitation, injury to or death of persons and/or property or contamination of or adverse effect on humans, animals, aquatic life or the environment, based upon, arising out of, or otherwise in respect of;

- (a) the failure of the Finished Products sold to BevCanna hereunder to meet the requirements of this Agreement, including Section 6.2 hereof;
- (b) the Manufacture of the Finished Products, Manufactured by Naturo not in accordance with Specifications or not in accordance with applicable Laws, Rules and Regulations.;
- (c) any breach of any representation, warranty, or covenant made by Naturo in this Agreement; and
- (d) the willful misconduct or any negligence or reckless acts or omissions of any of Naturo's officers, directors, agents, affiliates, employees and/or representatives, or any allegations of the same.

6.6 Notice and Opportunity to Defend

Promptly after becoming aware of a third party claim as to which a Party is entitled to indemnification under this Agreement, such Party (the "**Claiming Party**") shall notify the other (the "**Indemnifying Party**") of such claim. The failure or delay in providing such notice shall not relieve the Indemnifying Party of its obligations other than to the extent it was materially prejudiced by such failure or delay. Upon receipt of such notice, the Indemnifying Party will handle and control the defense of such Loss. If both Parties claim indemnification hereunder for the same Loss or if the Indemnifying Party in good faith rejects the claim of indemnity, then the Party or Parties named as defendant in the subject litigation will handle and control the defense of such Loss pending final resolution of the Parties' respective claims for or with respect to indemnity hereunder. At the time of such resolution, defense costs incurred pursuant to the preceding sentence shall be apportioned between the Parties in the same manner as the Parties share ultimate liability for the underlying loss pursuant to Sections 6.4 and 6.5 hereof. In all cases, the Party not handling and controlling such defense shall co-operate in such defense and may, at its own expense, participate in such defense through counsel of its choice. The Party handling and controlling such defense shall not settle or otherwise voluntarily dispose of or agree to dispose of such matter without prior approval of the other Party unless the settlement or disposition involves only the payment of monetary damages by that Party, in which event approval of the other Party shall not be required.

6.7 Liability Cap

- (a) Limitation of Liability. IN NO EVENT WILL EITHER PARTY BE LIABLE FOR INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES OR DAMAGES FOR LOST PROFITS, HOWEVER CAUSED OR UPON ANY THEORY OF LIABILITY, ARISING OUT OF THIS AGREEMENT OR THE PERFORMANCE OF, OR THE FAILURE TO PERFORM, ANY OBLIGATIONS SET FORTH HEREIN.
- (b) The total liability of Naturo to BevCanna pursuant to the terms of this Agreement shall not exceed the sum of \$5,000,000.

- (c) In case Naturo is able to verify that BevCanna's instructions were fully observed by Naturo, Naturo will not be liable towards BevCanna for damages that are contributable to such instructions given by BevCanna.
- (d) Other than as set forth in Section 2.1(d), Naturo can only be held liable by BevCanna within the scope and coverage of Naturo's liability insurance. Naturo undertakes to maintain the liability insurance described in Section 6.3 for the duration of this Agreement and Naturo shall inform BevCanna about any material changes to such insurance.
- (e) The limitations of liability shall not apply in the case of gross negligence or wilful misconduct. The limitations of liability shall also not apply if they are prohibited by applicable law.

Article 7

Term and Termination

7.1 Term

Subject to the provisions of Section 7.2 hereof, the initial term of this Agreement shall commence on the Effective Date and shall continue in full force and effect for a period of ten (10) years, unless otherwise terminated earlier. Thereafter, this Agreement shall be automatically renewed for two (2) successive terms of ten (10) years each if not terminated by either Party in accordance with Section 7.2.

7.2 Termination

This Agreement shall not be terminated at any time prior to the expiration of the initial Term referred to in Section 7.1 except in accordance with the terms and conditions of this Section 7.2.

- (a) Default. This Agreement may be terminated by written notice by either Party if the other Party breaches any material provision of this Agreement and does not remedy such breach within sixty (60) days of written notice of breach unless such breach cannot be remedied within such sixty (60) day period, in which case such breach must be remedied as soon as reasonable diligence will permit.
- (b) Termination without Cause. Either Party may, [at the end of four (4) years from the Effective Date] terminate its obligation to purchase or supply Finished Product, by giving written notice to the other Party at least twenty-four (24) months prior to the effective date of such termination. In the case where Naturo terminates this Agreement pursuant to this Section 7.2(b):
 - (i) BevCanna agrees to use commercially reasonable efforts to locate and qualify an alternative supplier; and
 - (ii) if sixteen (16) months have passed from the date of notice of termination and the technology transfer to the new supplier has not been effected, the Term may be extended by BevCanna for an additional twelve (12) months by the delivery of written notice to Naturo prior to the end of the eighteenth (18) month from the date of notice of termination.

- (c) Termination with Cause. Either Party may terminate this Agreement at any time effective upon delivery of written notice of such termination upon the occurrence of any of the following:
- (i) improper assignment of this Agreement by the non-terminating Party;
 - (ii) the non-terminating Party becomes insolvent or if the non-terminating Party becomes bankrupt within the meaning of the bankruptcy legislation applicable to the non-terminating Party, or if a petition in bankruptcy is filed by or against the non-terminating Party, or if any steps are taken to appoint a receiver, receiver-manager or other custodian (permanent or temporary) of the non-terminating Party's business or assets or any part thereof, or if any proceeding for a proposal with creditors is instituted by or against the non-terminating Party, or if the assets of the non-terminating Party are subject to seizure or execution or other analogous process, or if any steps are taken to effect the liquidation, dissolution or other reorganization of the non-terminating Party; or
 - (iii) the non-terminating Party's default in the observance or performance of any covenant or obligation herein or in any other agreement with the terminating Party and its failure to cure such default within fourteen (14) days of receiving written notice from the terminating Party of such default, unless such default is not capable of being cured either at all or within fourteen (14) days, in which case no curative period shall be applicable to such default.
- (d) Force Majeure. Upon the occurrence of an event of force majeure described in Section 10.1 which prevents Naturo from performing its obligations under this Agreement for a continuous period of three (3) months or more, BevCanna may terminate this Agreement upon thirty (30) days written notice to Naturo given after the expiration of such three (3) month period.
- (e) Upon Termination under any circumstances of Section 7.2, the Parties acknowledge that Naturo is entitled to receive all amounts properly payable to it under the terms of the Agreement up to the date of Termination.

7.3 Effects of Termination

- (a) Raw Materials. Unless BevCanna terminates this Agreement for cause, if Naturo has quantities of Materials that Naturo has purchased in excess of BevCanna requirements therefore after expiration or termination of this Agreement, or if Naturo is required to order quantities of such raw materials or packaging materials in excess of BevCanna requirements after notice of termination of this Agreement is given, BevCanna shall, upon such expiration or termination, purchase all Finished Product at the agreed prices and such Materials at Naturo out-of-pocket cost.
- (b) Survival of Obligations. Termination of this Agreement for any reason will not relieve the Parties of any obligation accruing prior thereto. Without limiting the generality of the foregoing and in addition to the foregoing, no termination of this Agreement, whether by lapse of time or otherwise, will serve to terminate the rights and obligations of the Parties hereto under Sections 3.3, 3.5, 4.1, 4.2, 6.1 through 6.7, 7.3, 8.1, 8.2, 9.1, 10.3, 10.6, 10.7, 10.8, and 10.10 hereof, and such obligations will survive any such termination. In addition, the

Parties' obligations with respect to Section 6.3 shall survive for two (2) years after the termination or expiration of this Agreement.

Article 8 Dispute Resolution

8.1 Executive Resolution

If any dispute arises between the Parties relating to the interpretation, breach or performance of this Agreement or the grounds for the termination thereof, the Parties agree that before submitting such dispute to arbitration as set forth in Section 8.2 below, the Presidents (or equivalent level) of each Party shall, for a period of thirty (30) days after such dispute is formally submitted to either of such Presidents in writing, attempt in good faith to negotiate a resolution of the dispute (including, if agreed by the Parties, retaining a third party manufacturing consultant to provide a review and render a decision). The foregoing shall not be interpreted to preclude either Party from seeking and obtaining from the appropriate court provisional remedies such as attachment, preliminary injunction, etc. to avoid irreparable harm, maintain the status quo, or preserve the subject matter of the dispute.

8.2 Arbitration

All disputes arising out of or in connection with this Agreement, or in respect of any defined legal relationship associated therewith or derived therefrom, shall be referred to and finally resolved by arbitration under the International Commercial Arbitration Rules of Procedure of the British Columbia International Commercial Arbitration Centre. The panel shall consist of one arbitrator and the appointing authority shall be the British Columbia International Commercial Arbitration Centre. The case shall be administered by the British Columbia International Commercial Arbitration Centre in accordance with its Rules. The language of the arbitration shall be English. The place of arbitration shall be Vancouver, British Columbia, Canada. The decision of the arbitrator shall be binding upon both Parties and no appeal shall lie therefrom. Notwithstanding the above arbitration provision, nothing herein shall preclude either Party from applying to a Court of competent jurisdiction for an order enjoining any activity by the other Party pending the hearing of the arbitration.

Article 9 Confidentiality

9.1 Confidentiality

- (a) Restriction on Use of Confidential Information. Each Party agrees with respect to the other Party's Confidential Information to:
- (i) hold in strict confidence all Confidential Information;
 - (ii) use the Confidential Information solely to perform or to exercise its rights under this Agreement; and
 - (iii) not to transfer, display, convey or otherwise disclose or make available all or any part of such Confidential Information to any person or entity other than to its directors, officers, employees and agents who have a bona fide need to know such Confidential Information to fulfill obligations hereunder and who are bound by confidentiality obligations at least as restrictive as the terms of this Agreement ("**Representatives**").

- (b) A Recipient shall not use (except as expressly provided in this Agreement) or disclose Confidential Information without the prior written consent of the Discloser. Without limiting the foregoing, a Recipient shall use at least the same degree of care to protect Confidential Information as it uses to protect its own confidential information of like nature, but in no circumstances less than reasonable care.
- (c) Use by Representatives. The handling and treatment of the Confidential Information by the Representatives in accordance with this Agreement is the full responsibility of a Recipient. Disclosure by any Representative which, if made by a Recipient, would constitute a breach of this Agreement by that Recipient, shall constitute a breach by that Recipient.
- (d) Disclosures Required by Law. Notwithstanding Section 9.1(a), to the extent a Recipient is legally required to disclose Confidential Information of a Discloser by law, the applicable rules of any stock exchange on which Recipient's securities are listed at the relevant time or as a result of judicial or other governmental action, that Recipient may disclose such information; provided, that prompt notice of said law, rules or judicial or other governmental action shall have been given to the Discloser prior to the disclosure so that the Discloser is afforded the opportunity (consistent with the legal obligations of the Recipient) to seek a protective order or other appropriate remedy and/or waive compliance with the provisions of this Agreement. In the event that such protective order or other remedy is not obtained or the Discloser waives compliance with the provisions of this Agreement, the Recipient shall furnish only that portion of the Confidential Information which it is required to disclose.
- (e) Remedies Upon Breach. Each Party acknowledges that the Confidential Information of the other Party is the exclusive property of, and constitutes valuable commercial assets of, such Party and/or its Affiliates, the development of which required a significant investment of its human resources, intellectual property and financial assets. The Parties further acknowledges that any use or disclosure of the Confidential Information in a manner inconsistent with the provisions of this Agreement may cause irreparable damage to a Discloser, for which remedies other than injunctive relief may be inadequate. Accordingly, a Discloser is entitled to equitable relief, including interim and permanent injunctive relief, specific performance, and other equitable remedies in the event of any breach of this Article 9 by a Recipient in addition to any other remedies available to the Discloser. The Party in violation of this Article 9 also agrees to reimburse a Discloser for all reasonable costs and expenses, including legal fees, incurred by that Discloser in successfully enforcing obligations under this Article 9.
- (f) Return or Destruction. Upon the termination or expiration of this Agreement or upon the earlier request of a Discloser, a Recipient shall (a) at its own expense, (i) promptly return to the Discloser all information that is in tangible form (and all copies thereof) that is the property of the Discloser (including pursuant to this Agreement) or that contains any Confidential Information (collectively, the "**Material Information**") and remove all digital representations thereof in any form from all electronic storage media in its possession or under its control, or (ii) upon written request from a Discloser, destroy Material Information that is in tangible form and remove all digital representations thereof in any form from all electronic storage media in its possession or under its control and, (b) cease all further use of any Material Information, whether in tangible or intangible form. In each case the Recipient shall provide the Discloser with written certification that the obligations in this Section 9.1(f) have been complied with.

- (g) Ownership. Each Party hereby agrees that the Confidential Information is, and will remain, the property of the Discloser and/or its Affiliates. A Recipient obtains no right, title, interest or licence in or to any of the Confidential Information except for the rights expressly set forth in this Agreement.
- (h) Third Party Beneficiary. To the extent a Recipient is in receipt of any Confidential Information of a Discloser's Affiliate(s), such Affiliate(s) shall be considered third party beneficiaries under this Agreement and shall be entitled to the rights and remedies available to the Discloser as if such Affiliate(s) were a Party hereto.
- (i) Agreement Confidential. The Parties acknowledge and agree that this Agreement; the terms and conditions of this Agreement; and its existence shall be treated as confidential and shall not be disclosed by any Recipient to a third party without the express consent of Discloser except where such disclosure is in accordance with Section 9.1(d).
- (j) No Publicity. Except as required by law or the applicable rules of any stock exchange on which either Party's securities are listed at the relevant time, neither Party will make any reference in any manner (including in any press release, customer list, website, presentation or other media or method) to the other Party (including the use of the other Party's name, logo, and identifying description), this Agreement, or the relationship created herein without the prior consent of the other Party, which consent may be granted or withheld at the other Party's sole discretion.

Article 10 **General Provisions**

10.1 Force Majeure

- (a) Naturo shall not be subject to any liability for delay in performance or non-performance hereunder as a result of contingencies and circumstances beyond its control (including, but not limited to, fire, flood, or other natural catastrophes, strike, labor trouble, riot, war, act of governmental authority, or act of God) interfering with the Manufacture, supply, transportation or receipt of Finished Product or with the supply of any raw materials used in the Manufacture thereof. Quantities so affected may be eliminated from this Agreement without liability, but the Agreement shall otherwise remain unaffected.
- (b) Except where the nature of the event shall prevent it from doing so, if Naturo suffers such force majeure, it shall promptly notify BevCanna in writing after the occurrence of such force majeure and shall, in every instance, to the extent reasonable and lawful under the circumstances, use its best efforts to remove or remedy such cause with all reasonable dispatch.
- (c) When the force majeure conditions in question ceases to exist, Naturo shall promptly notify BevCanna in written form about the force majeure termination.

10.2 Entire Agreement

This Agreement and all schedules hereto, collectively with the Lease Agreement dated June 12, 2018 among Naturo, BevCanna and Miller Springs Ltd. ("**MS**") and the Framework Agreement dated June 12, 2018 among Naturo, BevCanna and MS constitute the full understanding of the Parties, a complete

allocation of risk between them, and a complete and exclusive statement of the terms and conditions of their Agreement relating to the Manufacture of Finished Product hereunder and supersedes and replaces any and all prior or contemporaneous agreements, arrangements, understandings, and negotiations, whether written or oral, that may exist between the Parties with respect to the subject matter hereof. Any standard terms and conditions printed on BevCanna's Purchase Order are not considered part of this Agreement and shall have no force and effect. Except as provided otherwise in this Agreement, no conditions, usage of trade, course of dealing or performance, understanding or agreement purporting to modify, vary, explain or supplement the terms or conditions of this Agreement shall be binding on the Parties unless described as a modification or amendment of this Agreement made in writing and signed by the Parties to be bound. No modification hereof shall be effected by the acknowledgement or acceptance of any purchase order or shipping instruction forms containing terms and conditions at variance with or in addition to those set forth in this Agreement.

10.3 Relations Between the Parties

Naturo shall act as independent contractor of BevCanna in performing its obligations hereunder.

10.4 Assignment

Neither this Agreement nor any claim arising directly or indirectly out of or in connection with this Agreement shall be assignable by the Parties hereto without the prior written consent of the other Party.

10.5 Notice

(a) All communications under this Agreement shall be in writing and shall be either faxed, sent by courier (Federal Express or equivalent), or mailed by first-class mail, postage pre-paid, to the fax number and/or address specified below. If faxed, such communication shall be deemed to be given when sent; provided, however, that such fax shall be confirmed by sending a hard copy by courier or first-class mail (by methods specified herein) within one (1) working day of the sending of such fax. If sent by courier or mailed by first-class mail as specified below, such communication shall be deemed to be given either two (2) business days after sending (for communication sent by courier) or five (5) business days after mailing (for communication sent by mail) provided receipt did occur indeed. Either Party may change its address for notice purposes by complying with the provisions of this Section 10.5. All communications hereunder shall be sent:

if to **Naturo**, at its address shown below or such other address as it may give to BevCanna by notice hereunder

100 - 1672 West 2nd Avenue
Vancouver, British Columbia V6J 1H4
Fax: (604) 728-2440

if to **BevCanna**, at its address shown below or such other address as it may give to Naturo by notice hereunder:

200 - 1672 West 2nd Avenue
Vancouver, British Columbia V6J 1H4
Fax: (604) 728-2440

10.6 Severability

If any provision of this Agreement is found or declared to be invalid or unenforceable by any court or other competent authority having jurisdiction, such finding or declaration will not invalidate any other provision hereof and this Agreement shall thereafter continue in full force and effect, except that such invalid or unenforceable provision, and (if necessary) other provisions thereof, shall be reformed by a court of competent jurisdiction so as to effect, insofar as is practicable, the intention of the Parties as set forth in this Agreement, provided that if such court is unable or unwilling to effect such reformation, the invalid or unenforceable provisions shall be deemed deleted to the same extent as if it had never existed.

10.7 Governing Law – Venue

This Agreement shall be made and construed in accordance with the domestic laws of the Province of British Columbia and the laws of Canada applicable therein, excluding its conflict of laws rules. The provisions of the United Nations Convention on Contracts for International Sale of Goods (1980) and any successor or similar legislation shall be excluded from this Agreement and from any purchase and sale of the Finished Products hereunder. Subject to the arbitration provision set out in Section 31 herein, in the event of any dispute or other proceeding in respect of the Finished Products, this Agreement or any relationship arising between the Parties under this Agreement, the Parties hereby irrevocably submit to the exclusive jurisdiction of the Courts of the Province of British Columbia.

10.8 Remedies

No right or remedy herein conferred upon the Parties is intended to be exclusive of any other right or remedy, and each and every right or remedy shall be cumulative and in addition to any other right or remedy given hereunder or now or hereafter existing at law or in equity or by statute.

10.9 Schedules

The schedules to this Agreement are hereby incorporated in and made a part of this Agreement. The Parties may, by mutual consent, amend any schedule at any time during the term hereof by executing a version of such schedules dated after the then current version.

10.10 Waiver/Amendment

Any waiver by either Party hereto of a breach or a default of any provision of this Agreement by any other Party hereto, shall not be construed as a waiver of any succeeding breach of the same or any other provision, nor shall any delay or omission on the part of any Party hereto to exercise or avail itself of any right, power, or privilege that it has or may have hereunder, operate as a waiver of any such right, power, or privilege by such Party. Any amendment or supplementation of this Agreement shall be effective only if in writing, signed by both of the Parties hereto.

10.11 Counterparts

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which together shall constitute one and same instrument. The Parties have agreed that for this purpose, facsimile signatures will be accepted as originals.

IN WITNESS HEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives as of the date first above written.

BEVCANNA INC.

Per: "John Campbell"

Name: John Campbell

Title: Director

NATURO GROUP INVESTMENTS INC.

Per: "Marcello Leone"

Name: Marcello Leone

Title: Director

SCHEDULE A
FINISHED PRODUCTS

As specified by BevCanna from time to time.

SCHEDULE B
STABILITY COSTS

SCHEDULE C

MATERIALS

BevCanna Supplied Materials

1. Cannabis and cannabis related products and derivatives (including CBD and THC products and derivatives);
2. Formulations; and
3. Equipment and materials to carry out the Business.

Naturo Supplied Materials

1. Bottles;
2. Water;
3. Caps, boxes, labels, etc.; and
4. Proprietary formulations.

SCHEDULE D

PRICING

For all baseline or regular beverage products, BevCanna shall pay Naturo for Naturo's cost of the bottles and related materials plus a 50% profit margin for all Finished Products.

For specialized beverage products, pricing will be determined by written agreement between the parties.