

EXCLUSIVE SALE OF GOODS AGREEMENT

THIS EXCLUSIVE SALE OF GOODS AGREEMENT (the “**Sale of Goods Agreement**,” or “**Agreement**”) is entered into as of April 28th, 2020 (the “**Agreement Date**”), by and among CanCore Concepts Inc., a Colorado corporation with an address of 2200 East 77th Avenue, Suite 100, Denver Colorado 80229 (“**Seller**”), and BevCanna Enterprises, Inc., a British Columbia company with an office at 1672 W 2nd Avenue, Vancouver, British Columbia, Canada V6J 1H4 (“**Buyer**”). Each of Seller and Buyer is referred to individually as a “**Party**” and collectively as the “**Parties**.”

RECITALS

WHEREAS, Seller develops formulas, methodologies and processes for the manufacture of cannabis-infused products, and has by separate agreement (the “**License Agreement**”) licensed certain of its Property and Licensed Products (each as defined in the License Agreement) to Buyer to allow Buyer to manufacture, market, distribute and sell Licensed Products in the country of Canada (the “**Territory**”). Any capitalized terms in this Agreement shall have the meaning given in the License Agreement unless otherwise provided in this Agreement;

WHEREAS, Buyer is or will be properly licensed to, and has the ability to manufacture, market, distribute, and sell the Licensed Products in the Territory;

WHEREAS, Seller has relationships for the procurement of packaging, ingredients and other non-Cannabis or THC based components necessary to manufacture Licensed Products, as identified on **Exhibit A** hereto (the “**Goods**”); and

WHEREAS, to fully exploit the rights granted to it under the License Agreement, Buyer shall purchase all Goods exclusively from Seller during the term of the License Agreement, as defined in the License Agreement.

NOW, THEREFORE, in consideration of the promises, agreements, covenants, representations and warranties set forth herein and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the Parties, intending to be legally bound, agree as follows:

ARTICLE I

AGREEMENT TO PURCHASE AND SELL GOODS

Section 1.01 Purchase and Sale. Subject to the terms and conditions of this Agreement, during the Term (as defined in the License Agreement), Buyer shall purchase Goods exclusively from Seller, and Seller, on a non-exclusive basis, shall sell Goods to Buyer.

Section 1.02 Sales Forecasts. By December 31st of each calendar year during the Term, Buyer and Seller agree to determine the demand for the Goods based on a sales forecast for the Territory for the following calendar year, which reasonably approximates,

based on information available at the time to Buyer and Seller, the forecasted unit sales for each category of Licensed Products (the “**Annual Sales Forecast**”). The Parties may mutually agree to revise an Annual Sales Forecast by June 30th of each calendar year based on market data and penetration of the Licensed Products. On at least a quarterly basis, Buyer shall make a purchase of Goods from Seller. Seller shall purchase a minimum of sixty percent (60%) of the Goods forecasted to be purchased in the quarter as per the Annual Sales Forecast (as the same may be modified by the Parties).

Section 1.03 Milestones. Thirty (30) days prior to the Effective Date (as defined in the License Agreement) and thirty (30) days prior to each anniversary of the Effective Date, the Parties shall establish an annual milestone target for the amounts of Goods to be purchased by Buyer in each calendar year following the Effective Date (each an “**Annual Milestone**”).

Section 1.04 In each calendar year, the amount of any Goods under Rejected Purchase Orders shall be deducted from the applicable Annual Milestone. If Buyer fails to meet the Annual Milestone in two (2) consecutive calendar years following the Effective Date, Seller may invoke Section 1E of the License Agreement to convert Buyer’s License (as defined in the License Agreement) to a non-exclusive license in accordance with the terms of the License Agreement. If Buyer reaches the Annual Milestone for two (2) consecutive years, Seller and Buyer shall enter into good faith discussions regarding a joint venture between the Parties in accordance with the terms of the License Agreement.

ARTICLE II

TERMS OF AGREEMENT PREVAIL OVER BUYER’S PURCHASE ORDER

Section 2.01 “Basic Purchase Order Terms” means one or more of the following terms specified by Buyer in a Purchase Order: (a) a list of the Goods to be purchased; (b) the quantity of each of the Goods ordered; (c) the requested delivery date; (d) the unit Price (defined below) for each of the Goods to be purchased in accordance with Seller’s price list; the billing address; and (f) the street address for delivery (the “**Delivery Location**”). “Basic Purchase Order Terms” do not include any other terms, general or specific, included in a Purchase Order.

Section 2.02 “Purchase Order” means Buyer’s purchase order consisting of Basic Purchase Order Terms, issued to Seller hereunder.

Section 2.03 This Agreement is expressly limited to the terms of this Agreement and the Basic Purchase Order Terms contained in the applicable Purchase Order. Any additional terms or conditions contained in any documentation provided by Buyer, including the Purchase Order, are expressly rejected by Seller unless such terms are accepted in writing by an authorized representative of Seller.

ARTICLE III ORDER PROCEDURE

Section 3.01 Purchase Orders. Buyer shall initiate all Purchase Orders in written form via facsimile or e-mail, and cause all Purchase Orders to contain at least the Basic Purchase Order Terms. By placing a Purchase Order, Buyer makes an offer to purchase the Goods pursuant to the terms and conditions of this Agreement, including the Basic Purchase Order Terms, and on no other terms. Except with respect to the Basic Purchase Order Terms, any variations made to the terms and conditions of this Agreement by Buyer in any Purchase Order are void and have no effect.

Section 3.02 Seller's Right to Accept or Reject Purchase Order. Seller has the right, in its sole discretion, to accept or reject any Purchase Order. Seller may accept any Purchase Order by confirming the order (whether by written confirmation (including email), invoice or otherwise) or by delivering such Goods, whichever occurs first. No Purchase Order is binding on Seller unless accepted by Seller as provided in this Agreement. If Seller rejects a Purchase Order ("**Rejected Purchase Order**") the value of such Rejected Purchase Order shall be deducted from the applicable Annual Milestone.

Section 3.03 Cancellation of Individual Transactions. Seller may, in its sole discretion, without liability or penalty, cancel any Purchase Order that has been accepted by Seller (an "**Individual Transaction**") if Buyer is in material breach of this Agreement or the License Agreement, provided that Seller has complied with the notice requirements in this Agreement or the License Agreement prior to cancelling Purchase Orders. Buyer shall have no right to cancel any Purchase Order which has been accepted by Seller, unless Seller is in material default of this Agreement or Buyer has reasonable grounds to believe that Seller cannot perform under the applicable Purchase Order, provided that Buyer has complied with the notice requirements in this Agreement or the License Agreement prior to cancelling Purchase Orders.

ARTICLE IV SHIPMENT AND DELIVERY

Section 4.01 Shipment. Unless expressly agreed to by the Parties in writing, Seller shall select the method of shipment of, and the carrier, for the Goods. Seller may, in its sole discretion, without liability or penalty, make partial shipments of Goods to Buyer. Each shipment will constitute a separate sale, and Buyer shall pay for the Goods shipped whether such shipment is in whole or partial fulfillment of a Purchase Order, provided that, despite Section 6.02, Buyer shall pay shipment costs for the first shipment of a partial shipment only and shall not pay for additional shipments of Goods completing a Purchase Order.

Section 4.02 Delivery. Unless expressly agreed to by the Parties in any Individual Transaction, Seller shall deliver the Goods to the Delivery Location, using Seller's (or the applicable manufacturer's, as the case may be) standard methods for packaging and shipping such Goods.

Section 4.03 Late Delivery. Timing quoted by Seller for delivery is an estimate only, however, Seller will use commercially reasonable efforts to provide reliable estimates for delivery. Except where Seller is negligent, Seller is not liable for or in respect of any loss or damage arising from any delay in filling any order, failure to deliver or delay in delivery. No delay in the shipment or delivery of any Goods relieves Buyer of its obligations under this Agreement, including, without limitation, accepting delivery of any remaining installments of Goods.

Section 4.04 Packaging and Labeling. Seller shall properly pack, mark and ship Goods and provide Buyer with shipment documentation showing the Purchase Order number, Seller's identification number for the subject Goods, the quantity of pieces in shipment, the number of cartons or containers in shipment, Seller's name, the bill of lading number and the country of origin. All packaging and labeling shall conform to Applicable Law (as defined in the License Agreement) in the Territory, and include all documentation required by Buyer for Canadian customs purposes. –

Section 4.05 Inspection. Buyer shall inspect the Goods within seven (7) days of receipt (“**Inspection Period**”) of the Goods and either accept or, if such Goods are nonconforming Goods as they do not conform to the applicable Purchase Order (“**Nonconforming Goods**”), reject such Nonconforming Goods. Buyer will be deemed to have accepted the Goods unless it notifies Seller in writing of any Nonconforming Goods during the Inspection Period and furnishes written documentation of the nonconformance as reasonably required by Seller. If Buyer timely notifies Seller of Nonconforming Goods, Seller shall work with Buyer to determine the aspects of the Goods that are non-conforming, and shall, in its sole discretion: (i) replace such Nonconforming Goods with conforming Goods, or (ii) refund the amount paid to Seller for such Nonconforming Goods, together with all shipping and handling expenses incurred by Buyer in connection therewith. If Seller replaces Nonconforming Goods, Seller shall ship the replacement Goods to Buyer, at Seller's expense. BUYER ACKNOWLEDGES AND AGREES THAT THE REMEDIES SET FORTH IN THIS SECTION ARE BUYER'S EXCLUSIVE REMEDIES FOR THE DELIVERY OF NONCONFORMING GOODS PROVIDED THAT THE FOREGOING DOES NOT LIMIT SELLER'S INDEMNIFICATION OBLIGATIONS WITH RESPECT TO BREACHES OF REPRESENTATIONS AND WARRANTIES REGARDING THE GOODS WHERE NON-CONFORMITY IS NOT EVIDENT AT THE TIME OF RECEIPT OF THE GOODS.

Section 4.06 Limited Right of Return. Except as provided under Section 4.05 with regard to Nonconforming Goods, the Price paid for the Goods is nonrefundable.

ARTICLE V TITLE AND RISK OF LOSS

Section 5.01 Title. Title to Goods ordered under any Individual Transaction passes to Buyer upon delivery of such Goods to the Delivery Location.

Section 5.02 Risk of Loss. Risk of loss for Goods ordered under any Purchase Order passes to Buyer upon delivery of such Goods to the Delivery Location.

ARTICLE VI PRICE AND PAYMENT

Section 6.01 Price. Buyer shall purchase the Goods from Seller at the prices set forth on Seller's price list in effect at the time that Seller accepts the related Purchase Order ("Prices"). The Prices for Goods are provided on **Exhibit A**. Seller reserves the right to adjust its pricing, due to justifiable supplier pricing or minimum order quantity fluctuations, if applicable, tax increases, or other commercially reasonable business considerations, provided Seller provides Buyer with thirty (30) days' prior written notice of any such Price adjustment, and annually,

Section 6.02 Shipping Charges, Insurance and Taxes. Buyer shall pay for, and shall hold Seller harmless from, all shipping charges (not including insurance for the shipped Goods) and taxes charged directly to Buyer, and any duties and charges of any kind imposed by any governmental authority with respect to, or measured by, the sale and shipment of the Goods (including interest and penalties charged to Buyer thereon).

Section 6.03 Payment Terms. Seller shall issue individual invoices for each shipment of Goods. Buyer shall pay all undisputed invoice amounts due to Seller [fifteen (15) days of the invoice date, except for an Individual Transaction, or group of Individual Transactions with an aggregate value of over \$25,000.00 ("**Large Orders**"). For all Large Orders, Buyer shall make a cash deposit equal to 50% of the value of the Large Order at the time the Purchase Order is issued to Seller, with the balance due within thirty (30) days after the invoice date. Seller shall not be obligated to proceed with the Large Order prior to receipt of the 50% deposit. All payments due hereunder shall be made in United States currency, and may be made in cash, money order, wire transfer, or a check drawn on a United States bank.

Section 6.04 Invoice Disputes. Buyer shall notify Seller in writing of any dispute with any invoice, along with substantiating documentation or a reasonably detailed description of the dispute within five (5) days from Buyer's receipt of such invoice. Buyer will be deemed to have accepted all invoices for which Seller does not receive timely notification of disputes and shall pay all undisputed amounts due under such invoices within the period set forth in **Section 6.03**. If Buyer timely disputes an invoice, the Parties shall seek to resolve the disputes expeditiously and in good faith. Notwithstanding anything to the contrary, each Party shall continue performing its obligations under this Agreement during any such dispute, including, without limitation, Buyer's obligation to pay all undisputed amounts due and Seller's obligation to ship Goods under accepted Purchase Orders. –

Section 6.05 Late Payments. Provided that Seller has provided reasonable notice to Buyer of past-due payments, any payments that are more than 30 days past due

Buyer shall incur interest at the rate of one (1.0%) per month from the date such payment was originally due. If Buyer has failed to pay any amounts when due under this Agreement and Seller has notified Buyer of the failure to pay, Seller may (a) suspend the delivery of any Goods, (b) reject Buyer's Purchase Orders pursuant to **Section 3.02**, (c) cancel accepted Purchase Orders pursuant to **Section 3.03**, provided that five (5) days written notice has been provided to Buyer, or (d) terminate this Agreement pursuant to **Section 9.02(a)**, provided that the notice periods set out in Section 9.02 have been complied with by Seller.

Section 6.06 Security Interest. Buyer hereby grants Seller a purchase money security interest in all Goods purchased hereunder, including Nonconforming Goods, and the proceeds therefrom to secure Buyer's payment obligations under this Agreement. Buyer acknowledges that the security interest granted under this **Section 6.06** is a purchase money security interest (PMSI) under British Columbia's *Personal Property Security Act*. Seller may file a financing statement for such security interest in order to perfect its interest and Buyer shall execute any such statements or other documentation necessary to perfect Seller's security interest in such Goods.

ARTICLE VII COMPLIANCE WITH LAWS

Section 7.01 General Compliance With Laws Covenant. Each Party shall comply in all material respects with Applicable Law and Seller shall comply with Applicable Law in the Territory with respect to manufacturing the Goods. Without limiting the generality of the foregoing, Buyer shall (a) at its own expense, maintain all certifications, credentials, licenses and permits necessary to conduct its business relating to the purchase or use of the Goods and (b) not engage in any activity or transaction involving the Goods, by way of shipment, use or otherwise, that violates Applicable Law, subject to the acknowledgement in **Section 7.02**.

Section 7.02 Regulated Industry. Buyer and Seller each individually represent that they understand and acknowledge that cannabis, marijuana, cannabidiol ("CBD"), and the medical, recreational, and retail cannabis, marijuana, and CBD industries, are subject to and are highly regulated by federal, provincial, local, and other laws and regulations, and acknowledge that such laws and regulations are subject to changes which may affect the validity, enforceability, and commercial practicality of this Agreement.. Buyer and Seller each individually represent and warrant that they accept the risk of their respective participations in this industry in their respective jurisdictions.

ARTICLE VIII INTELLECTUAL PROPERTY RIGHTS

Section 8.01 As used in this Agreement:

“Intellectual Property Rights” means all industrial and other intellectual property rights in the Goods comprising or relating to: (i) patents; (ii) Trademarks and Trade Names; (iii) internet domain names that incorporate Trademarks, registered by any authorized private registrar or governmental authority, web addresses, web pages, website and URLs; (iv) works of authorship, expressions, designs and design registrations, whether or not copyrightable, including copyrights and copyrightable works, mask works, software and firmware, data, data files, and databases and other specifications and documentation; (v) Trade Secrets; (vi) all industrial and other intellectual property rights, and all rights, interests and protections that are associated with, equivalent or similar to, or required for the exercise of, any of the foregoing, however arising, in each case whether registered or unregistered and including all registrations and applications for, and renewals or extensions of, such rights or forms of protection pursuant to the Laws of any jurisdiction throughout in any part of the world.

“Patents” means all 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).

“Trademarks” means all rights in and to US and foreign trademarks, service marks, trade names, brand names, logos, trade dress, corporate names, and other similar designations of source, sponsorship, association or origin, together with the goodwill symbolized by any of the foregoing, in each case whether registered or unregistered and including all registrations and applications for, and renewals and extensions of, such rights and all similar or equivalent rights or forms of protection in any part of the world.

“Trade Secrets” means all inventions, discoveries, trade secrets, business and technical information, trade secrets and know-how, databases, data collections, patent disclosures and other confidential and proprietary information and all rights therein.

Section 8.02 Ownership. Buyer acknowledges and agrees that:

(a) Seller’s Intellectual Property Rights are the sole and exclusive property of Seller or its licensors;

(b) Buyer shall not acquire any ownership interest in any of Seller’s Intellectual Property Rights under this Agreement;

(c) Any goodwill derived from Buyer’s use of Seller’s Intellectual Property Rights inures to the benefit of Seller or its licensors, as the case may be;

(d) If Buyer acquires any Intellectual Property Rights, rights in or relating to any Goods (including any rights in any Trademarks, derivative works or patent improvements relating thereto) by operation of law, or otherwise, such rights are deemed

and are hereby irrevocably assigned to Seller or its licensors, as the case may be, without further action by Buyer or Seller; and

(e) Buyer shall use Seller's Intellectual Property Rights solely for purposes of using the Goods under this Agreement and the License Agreement and only in accordance with this Agreement, the License Agreement, and the written instructions of Seller.

Section 8.03 Prohibited Acts. Buyer shall not:

(a) Take any action that interferes with any of Seller's rights in or to Seller's Intellectual Property Rights, including Seller's ownership or exercise thereof;

(b) Challenge any right, title or interest of Seller in or to Seller's Intellectual Property Rights;

(c) Make any claim or take any action adverse to Seller's ownership of Seller's Intellectual Property Rights;

(d) Register or apply for registrations, anywhere in the world, for Seller's Trademarks or any other trademark that would be reasonably expected to cause consumer confusion with Seller's Trademarks or that incorporates Seller's Trademarks, in whole or in confusingly similar part;

(e) Use any mark, anywhere that would be reasonably expected to cause consumer confusion with Seller's Trademarks;

(f) Engage in any action that tends to disparage, dilute the value of, or reflect negatively on the Goods or any of Seller's Trademarks;

(g) Misappropriate any of Seller's Trademarks for use as a domain name; or

(h) Alter, modify, obscure or remove any Seller Trademark or copyright notices or any other proprietary rights notices placed on the Goods, marketing materials, or other materials that Seller may provide.

**ARTICLE IX
TERM; TERMINATION**

Section 9.01 Term. The term of this Agreement commences on the Agreement Date and shall be commensurate with the Term of the License Agreement (the "**Term**").

Section 9.02 Seller's Right to Terminate. Seller may terminate this Agreement upon written notice to Buyer:

(a) if Buyer fails to pay any undisputed amount when due under this Agreement (“**Payment Failure**”) and such failure continues for thirty (30) days after Buyer’s receipt of written notice of nonpayment;

(b) if Buyer breaches any material provision of this Agreement or any Individual Transaction (other than a Payment Failure), and either the breach cannot be cured or, if the breach can be cured, it is not cured by Buyer within thirty (30) days after Buyer’s receipt of written notice of such breach;

(c) if Buyer files a petition in bankruptcy or is adjudicated bankrupt or insolvent, or makes an assignment for the benefit of creditors, or an arrangement pursuant to any bankruptcy law days; or

(d) upon Buyer’s material breach of the License Agreement, and such material breach is not cured as allowed by the License Agreement, or upon termination or expiration of the License Agreement.

Section 9.03 Buyer’s Right to Terminate. Buyer may terminate this Agreement upon written notice to Seller:

(a) if Seller breaches any material provision of this Agreement or any Individual Transaction, and either the breach cannot be cured or, if the breach can be cured, it is not cured by Seller within twenty (20) days after Seller’s receipt of written notice of such breach;

(b) if Seller files a petition in bankruptcy or is adjudicated bankrupt or insolvent, or makes an assignment for the benefit of creditors, or an arrangement pursuant to any bankruptcy law days; or

(c) upon Seller’s material breach of the License Agreement, and such material breach is not cured as allowed by the License Agreement, or upon termination of the License Agreement.

Section 9.04 Effect of Termination.

(a) Any notice of termination under this Agreement automatically operates as a cancellation of any deliveries of Goods to Buyer that are scheduled to be made subsequent to the effective date of termination, whether or not any orders for such Goods have been accepted by Seller. With respect to any Goods that are in transit upon termination of this Agreement, Seller may require, in its sole and absolute discretion, immediate payment for such Goods by cash, certified check or wire transfer.

(b) Upon the expiration or earlier termination of this Agreement to the extent permitted by Applicable Law, each Party shall promptly return all Confidential Information received in tangible form from the other Party, except that Receiving Party’s legal counsel may retain one copy for its files solely to provide a record of such Confidential Information for archival purposes, and subject to any retention requirements

imposed by Applicable Law. Following termination or expiry of the Agreement, all provisions which by their nature should survive termination or expiry, will survive such termination or expiry.

ARTICLE X CONFIDENTIALITY

Section 10.01 Confidential Information.

(a) In connection with this Agreement, it is contemplated that Seller and Buyer, (the “**Disclosing Party**”) may furnish to the other (the “**Receiving Party**”) certain non-public information, data, records, trade secrets and/or documents that are marked or otherwise specifically identified as proprietary or confidential or which by its contents and the underlying circumstances, a reasonable person would consider proprietary or confidential (“**Confidential Information**”). Without limitation, the Intellectual Property and Specifications set forth on **Schedule A** and any proprietary training manuals, training information, manufacturing manuals, and manufacturing information delivered by Seller to Buyer under this Agreement are the Confidential Information of Seller.

(b) The Receiving Party agrees that, except as may be required by law, it shall (i) secure and hold all Confidential Information in confidence, exercising a degree of care not less than the care used by the Receiving Party to protect its own proprietary or confidential information that it does not wish to disclose (but in no event shall such care be less than that which is commercially reasonable); (ii) restrict disclosure of the Confidential Information solely to those of its members, managers, officers, directors, employees, attorneys, financial advisors, independent contractors, auditors, or other agents to whom such disclosure is necessary for the Receiving Party to perform its rights and obligations under this Agreement and/or the License Agreement (“**Permitted Recipients**”), and not disclose the Confidential Information to any other person or entity without the prior written consent of the Disclosing Party, which shall not be unreasonably withheld; (iii) advise and secure the Permitted Recipients’ written agreement acknowledging their obligation to maintain the Confidential Information as confidential in accordance with this Agreement; and (iii) use the Confidential Information only in connection with the performance of this Agreement and/or the License Agreement, except as the Disclosing Party may agree otherwise in writing. The Receiving Party shall obtain written, signed, and legally-binding nondisclosure agreements or other appropriate nondisclosure assurances from any Permitted Recipient before allowing such Permitted Recipient to access or use the Disclosing Party’s Confidential Information.

(c) The Receiving Party is responsible for its Permitted Recipients compliance with the terms and conditions of Article X and shall be liable to the Disclosing Party for any breach thereof.

(d) Upon reasonable request from the Disclosing Party, the Receiving Party shall provide access to, and the right to inspect, records relating to the preservation of and

measures taken to secure the confidentiality of the Disclosing Party's Confidential Information.

(e) The Receiving Party agrees that its obligations under this Agreement with respect to the Confidential Information begins when the Receiving Party first obtains access to such Confidential Information and continues during and after the Term of this Agreement until such time as the Confidential Information at issue has become public knowledge other than as a result of the Receiving Party's breach of Article X or by the conduct of someone acting on the behalf of, or in tandem with, the Receiving Party, to breach Article X, or until the Disclosing Party agrees in writing that the Receiving Party has no further confidentiality obligations with respect to Confidential Information at issue, or until a court of competent jurisdiction orders such disclosure, or such disclosure is required by Applicable Law.

(f) Upon written request of the Disclosing Party, and only to the extent permitted by Applicable Law, the Receiving Party shall promptly return all Confidential Information received in tangible form, except that Receiving Party's legal counsel may retain one copy for its files solely to provide a record of such Confidential Information for archival purposes, and subject to any retention requirements imposed by Applicable Law.

(g) The Receiving Party shall promptly notify the Disclosing Party upon discovery of any actual or reasonably suspected compromise, unauthorized use, or unauthorized disclosure of the Disclosing Party's Confidential Information, or any other breach of Article X, and shall cooperate with the Disclosing Party in every reasonable way to help Disclosing Party regain possession of the Disclosing Party's Confidential Information, or to restore the confidentiality of the Disclosing Party's Confidential Information, and to prevent any further compromise, unauthorized use, or unauthorized disclosure of the Disclosing Party's Confidential Information. As between Seller and Buyer, the entity which bears responsibility for the compromise, unauthorized use, or unauthorized disclosure of the Disclosing Party's Confidential Information shall bear the entire cost of such cooperation.

(h) Each of Seller and Buyer shall keep this Agreement and its terms confidential, except as may be necessary for such entity to consult with its legal and/or financial advisors, or until a court of competent jurisdiction orders such disclosure, or unless such disclosure is required by Applicable Law, and shall make no press release or public disclosure, either written or oral, regarding the transactions contemplated by this Agreement without the prior written consent of Seller or Buyer (unless such press release is required by Applicable Law), as applicable, which consent shall not be unreasonably withheld.

(i) If the Receiving Party is required to disclose some or all of the Disclosing Party's Confidential Information by an order or a lawful process of a court or governmental body, the Receiving Party shall promptly notify the Disclosing Party, and shall cooperate with the Disclosing Party in seeking reasonable protective arrangements

before the Disclosing Party's Confidential Information is produced, and even then, such production shall be limited to the extent reasonably necessary to comply with such order or lawful process.

ARTICLE XI REPRESENTATIONS AND WARRANTIES

Section 11.01 Mutual Representations and Warranties. Seller and Buyer each individually represent and warrant that:

(a) it is a corporation or limited liability company, as applicable, duly organized, validly existing and in good standing in the jurisdiction of its formation;

(b) it has the full corporate or company (as applicable) right, power and authority to enter into this Agreement and to perform its obligations under this Agreement;

(c) the execution of this Agreement by its representative whose signature is set forth at the end hereof has been duly authorized by all necessary corporate or company action;

(d) when executed and delivered by each of Seller and Buyer, this Agreement will constitute the legal, valid and binding obligation of each Party, subject to Applicable Laws; and

(e) it is not insolvent and is paying all of its debts as they become due.

Section 11.02 Buyer Representations and Warranties.

(a) Buyer represents and warrants that, as of the Effective Date, Buyer is a holder of valid licenses, issued under Applicable Law in the Territory, to manufacture, market, distribute, and sell the Licensed Products, and that no disciplinary or administrative action has been taken or is pending against Buyer.

ARTICLE XII PRODUCT WARRANTIES

Section 12.01 Limited Warranty. Seller represents and warrants to Buyer that as of the date of shipment, all Goods will materially conform to Seller's published specifications in effect as of the date of shipment under the corresponding Individual Transaction, and that the Goods and all packaging and labeling comply with Applicable Laws in the Territory, including with respect to child-proofing, required warnings, or any other regulatory requirements. Seller further represents and warrants that:

(a) Seller owns all of the Intellectual Property Rights and the use of the Goods by Buyer will not infringe the intellectual property or proprietary rights of any third party.

(b) Seller further represents and warrants to Buyer that all Goods will be manufactured in compliance with Applicable Laws in the Territory, will be safe for human consumption and, when incorporated in the Licensed Products (as defined in the License Agreement) will not cause injury or illness to any consumer of the Licensed Products. –

Section 12.02 Warranty Limitations. The limited warranty under **Section 12.01** does not apply to the extent the Goods have been:

(a) subjected to abuse, misuse, neglect, negligence, accident, improper testing, improper installation, improper storage, improper handling, abnormal physical stress, abnormal environmental conditions by Buyer or use contrary to any instructions issued by Seller;

(b) altered by persons other than Seller or its authorized Representative, except where such alteration is approved by Seller or alteration that results from incorporation of the Goods in the Licensed Products; or

(c) used in conjunction with any third-party product or product that has not been previously approved in writing by Seller, excluding the Licensed Products (as defined in the License Agreement).

Section 12.03 Third-Party Products. Products manufactured by a third party (“**Third Party Products**”) may contain, be contained in, incorporated into, attached to or packaged together with the Goods. Third Party Products are not covered by the warranty in **Section 12.01**. For the avoidance of doubt, Seller makes no representations or warranties with respect to any Third Party Product.

Section 12.04 Disclaimer. AS AN ESSENTIAL INDUCEMENT TO SELLER TO ENTER INTO THIS AGREEMENT, BUYER ACKNOWLEDGES, UNDERSTANDS AND AGREES THAT THE GOODS PURCHASED HEREUNDER ARE AND WILL BE MADE ON AN “AS IS WHERE IS”, BASIS (EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES EXPRESSLY MADE BY SELLER HEREIN) AND THAT, EXCEPT AS SPECIFICALLY SET FORTH IN THIS AGREEMENT, SELLER HAS NOT MADE, DOES NOT MAKE AND SPECIFICALLY NEGATES AND DISCLAIMS ANY REPRESENTATIONS, WARRANTIES OR GUARANTIES OF ANY KIND OR CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE, OF, AS TO, CONCERNING OR WITH RESPECT TO THE VALUE, NATURE, QUALITY OR CONDITION OF THE GOODS OR ANY OTHER MATTER WHATSOEVER, INCLUDING ANY (a) WARRANTY OF MERCHANTABILITY, OR (b) WARRANTY OF FITNESS FOR A PARTICULAR

PURPOSE OR EFFICACY; WHETHER ARISING BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE OR OTHERWISE.

ARTICLE XIII INDEMNIFICATION

Section 13.01 Indemnification. Subject to the terms and conditions of this Agreement, each Party shall indemnify, defend and hold harmless the other and its representatives, officers, directors, employees, agents, affiliates, successors and permitted assigns (collectively, “**Indemnified Party**”) against any and all third party losses, damages, liabilities, deficiencies, claims, actions, judgments, settlements, interest, awards, penalties, fines, costs, or expenses of whatever kind, including attorneys’ fees, fees and the costs of enforcing any right to indemnification under this Agreement, incurred by Indemnified Party or awarded against Indemnified Party in a final judgment, relating to or arising out of or resulting from any claim of a third party alleging:

(a) breach or non-fulfillment of any material representation, warranty or covenant of this Agreement by the indemnifying party;

(b) any negligent act or omission of the indemnifying party (including any recklessness or willful misconduct) in connection with the performance of its obligations under this Agreement;

(c) any bodily injury, death of any person or damage to real or tangible personal property caused by the negligent acts or omissions of the indemnifying party; or

(d) any failure by the indemnifying party to materially comply with Applicable Laws.

ARTICLE XIV LIMITATION OF LIABILITY

Section 14.01 No Liability for Consequential or Indirect Damages. NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, PUNITIVE OR ENHANCED DAMAGES, LOST PROFITS OR REVENUES OR DIMINUTION IN VALUE, ARISING OUT OF OR RELATING TO ANY BREACH OF THIS AGREEMENT, WHETHER OR NOT THE POSSIBILITY OF SUCH DAMAGES HAS BEEN DISCLOSED IN ADVANCE OR COULD HAVE BEEN REASONABLY FORESEEN, REGARDLESS OF THE LEGAL OR EQUITABLE THEORY (CONTRACT, TORT OR OTHERWISE) UPON WHICH THE CLAIM IS BASED, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE. THIS LIMITATION OF DAMAGES SHALL NOT LIMIT EITHER PARTY’S OBLIGATION TO INDEMNIFY FOR THIRD-PARTY CLAIMS UNDER ARTICLE XIV, ANY BREACH OF REPRESENTATIONS OR WARRANTIES, AND SHALL NOT LIMIT EITHER

PARTY'S OBLIGATIONS WITH RESPECT TO ITS GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

Section 14.02 Maximum Liability. EACH PARTY'S AGGREGATE LIABILITY TO THE OTHER PARTY ARISING OUT OF OR RELATED TO THIS AGREEMENT OR AN INDIVIDUAL TRANSACTION, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, SHALL NOT EXCEED THE TOTAL OF THE AMOUNTS PAID TO SELLER FOR GOODS PURSUANT TO THIS AGREEMENT IN THE TWELVE-MONTH PERIOD PRECEDING THE EVENT GIVING RISE TO THE CLAIM. THIS LIMITATION OF DAMAGES SHALL NOT LIMIT BUYER'S PAYMENT OBLIGATIONS HEREUNDER, ANY PARTY'S LIABILITY FOR ANY BREACH OF REPRESENTATIONS OR WARRANTIES OR EITHER PARTY'S OBLIGATION TO INDEMNIFY FOR THIRD-PARTY CLAIMS UNDER SECTION XIII AND SHALL NOT LIMIT EITHER PARTY'S OBLIGATIONS WITH RESPECT TO ITS GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

Section 14.03 Assumption of Risk. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, BUYER ASSUMES ALL RISK AND LIABILITY FOR THE FINANCIAL RESULTS OBTAINED BY THE USE OF ANY GOODS IN THE PRACTICE OF ANY PROCESS, WHETHER IN TERMS OF OPERATING COSTS OR OTHERWISE, , AND REGARDLESS OF ANY ORAL OR WRITTEN STATEMENTS MADE BY SELLER REGARDING FINANCIAL RESULTS..

ARTICLE XV BUYER INSURANCE OBLIGATIONS

From and after the Agreement Date, during the Term and for a period of one (1) year thereafter Buyer shall, at its own expense, to the extent such insurance is available in the Territory for this industry, maintain and carry in full force and effect the commercial general liability insurance that is required pursuant to Section 17 of the License Agreement.

ARTICLE XVI MISCELLANEOUS

Section 16.01 Further Assurances. Upon a Party's reasonable request, the other Party shall, at its sole cost and expense, execute and deliver all such further documents and instruments, and take all such further acts, necessary to give full effect to this Agreement.

Section 16.02 Entire Agreement. This Agreement and the License Agreement (the "Agreements") constitute the entire understanding of the Parties with respect to the subject matter herein, and revoke and supersede all prior agreements between the Parties with respect to the subject matter herein. Buyer acknowledges that neither Seller nor any other person has made or makes any express or implied representation or warranty, either

written or oral, on behalf of Seller, including any representation or warranty arising from statute or otherwise in law, except as stated in this Agreement.

Section 16.03 Notices. All notices required to be given under this Agreement shall be in writing and shall be transmitted either by personal delivery or reliable overnight courier (such as Federal Express),. Any such notice shall be effective upon delivery, if delivered by personal delivery or overnight courier, . Notices to the respective Parties shall be sent to the following addresses unless a written notice of a change of address has previously been issued pursuant hereto:

If to Seller:

CanCore Concepts, Inc.
Attention: Mr. Travis Tharp
2200 East 77th Avenue
Suite 100
Denver, CO 80229

If to Buyer:

BevCanna Enterprises, Inc.
Attention: John Campbell
1672 W 2nd Avenue,
Vancouver, British Columbia, Canada V6J 1H4

Section 16.04 Interpretation. The Parties drafted this Agreement 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 exhibits, schedules, attachments and appendices referred to herein are an integral part of this Agreement to the same extent as if they were set forth verbatim herein.

Section 16.05 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.

Section 16.06 Amendment and Modification. This Agreement may not be amended, modified, or changed, except by a written instrument signed and dated by all Parties, which specifically refers to this Agreement, and identifies the terms and conditions being amended, modified, or changed, along with the substance of such amendment, modification, or change. Any such amendment, modification, or change shall become effective only when signed and dated by all Parties.

Section 16.07 Waiver. No waiver by either Party of any default shall be deemed or implied to be a waiver or forbearance of any prior or subsequent default of the same or other provisions of this Agreement.

Section 16.08 Assignability. Neither Party may assign any of its rights or delegate any of its duties under this Agreement without obtaining the prior written approval of the other Party, which approval shall not be unreasonably withheld or delayed, provided that either Party may assign this Agreement to an Affiliate following ninety (90) days advance written notice to the other Party, and provided that either Party may assign this Agreement to a purchaser of all or substantially all of its business (whether by sale of its assets or equity or by merger) following ninety (90) days advance written notice to the other Party.

Section 16.09 Successors and Assigns. This Agreement is binding on and inures to the benefit of the Parties to this Agreement and their respective permitted successors and permitted assigns.

Section 16.10 No Third-Party Beneficiaries. This Agreement benefits solely the Parties to this Agreement and their respective permitted successors and assigns and nothing in this Agreement, express or implied, confers on any other person any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

Section 16.11 Dispute Resolution and Governing of Law. This Agreement shall be governed by, construed, interpreted and enforced in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein, excluding its choice of law rules,. In the event of any disagreement related to or arising from this Agreement the Parties shall attempt to resolve all disputes promptly by negotiation between their respective executives with authority to settle such matters. If any such dispute is not so resolved, the Parties shall resolve such dispute through binding Arbitration before the British Columbia International Commercial Arbitration Centre under its International Commercial Arbitration Rules of Procedure. The panel shall consist of one arbitrator and the appointing authority shall be the British Columbia International Commercial Arbitration Centre. Each Party that is a party to such arbitration shall pre-pay the arbitration fee on a pro rata basis, and shall bear its own attorneys' fees and costs during the course of the arbitration, provided that at the conclusion of the arbitration, the prevailing Party, as determined by the Arbitrator, shall be entitled to recover its attorneys' fees and costs from any non-prevailing Party. Any such arbitration shall be held in Vancouver, British Columbia, and any such arbitration award shall be enforceable in any court of competent jurisdiction. 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.

Section 16.12 Counterparts. This Agreement may be executed in counterparts, each of which is deemed an original, but all of which together are deemed to be one and the same agreement. A signed copy of this Agreement delivered by either facsimile or email shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

Section 16.13 Force Majeure. Neither Party shall be liable to the other Party, nor be deemed to have defaulted or breached this Agreement, for any failure or delay in performing any term of this Agreement when the time of such performance is due, to the extent such failure or delay is caused by or results from acts or circumstances beyond the reasonable control of such Party including, without limitation, acts of God, flood, fire, earthquake, explosion, governmental actions, war, invasion or hostilities (whether war is declared or not), terrorist threats or acts, riot, civil unrest, national emergency, revolution, insurrection, epidemic, restraints or delays affecting carriers, unavailability of raw materials, unavailability of necessary equipment, change in law that renders performance under this Agreement impossible, illegal, or commercially impracticable, telecommunication breakdown, or power outage, where such acts or circumstances persist for thirty (30) consecutive days, or cumulatively for a total of ninety (90) days, during the Term of this Agreement.

Section 16.14 Relationship of Parties. Nothing in this Agreement creates any agency, joint venture, partnership or other form of joint enterprise, employment or fiduciary relationship between the Parties. Each Party is an independent contractor of the other pursuant to this Agreement. Neither Party has any express or implied right or authority to assume or create any obligations on behalf of or in the name of the other Party or to bind the other Party to any contract, agreement or undertaking with any third Party. The Parties acknowledge and agree that the Parties relationship is solely that of an independent contractor and nothing herein contained shall be construed to constitute Seller and Buyer, as partners, joint venturers, co-owners, or otherwise as participants in a joint or common undertaking.

[Signature page follows.]

IN WITNESS WHEREOF, this Agreement has been executed by the Parties as of the date first set forth above.

Seller

CanCore Concepts Inc.,
a Colorado Corporation

By: *"Travis Tharp"*

Name: Travis Tharp

Title: President and COO

Buyer

BevCanna Enterprises, Inc.

By: *"Marcello Leone"*

Name: Marcello Leone

Title: CEO

EXHIBIT A
DESCRIPTION OF GOODS

EXHIBIT B
MINIMUM PURCHASE COMMITMENT